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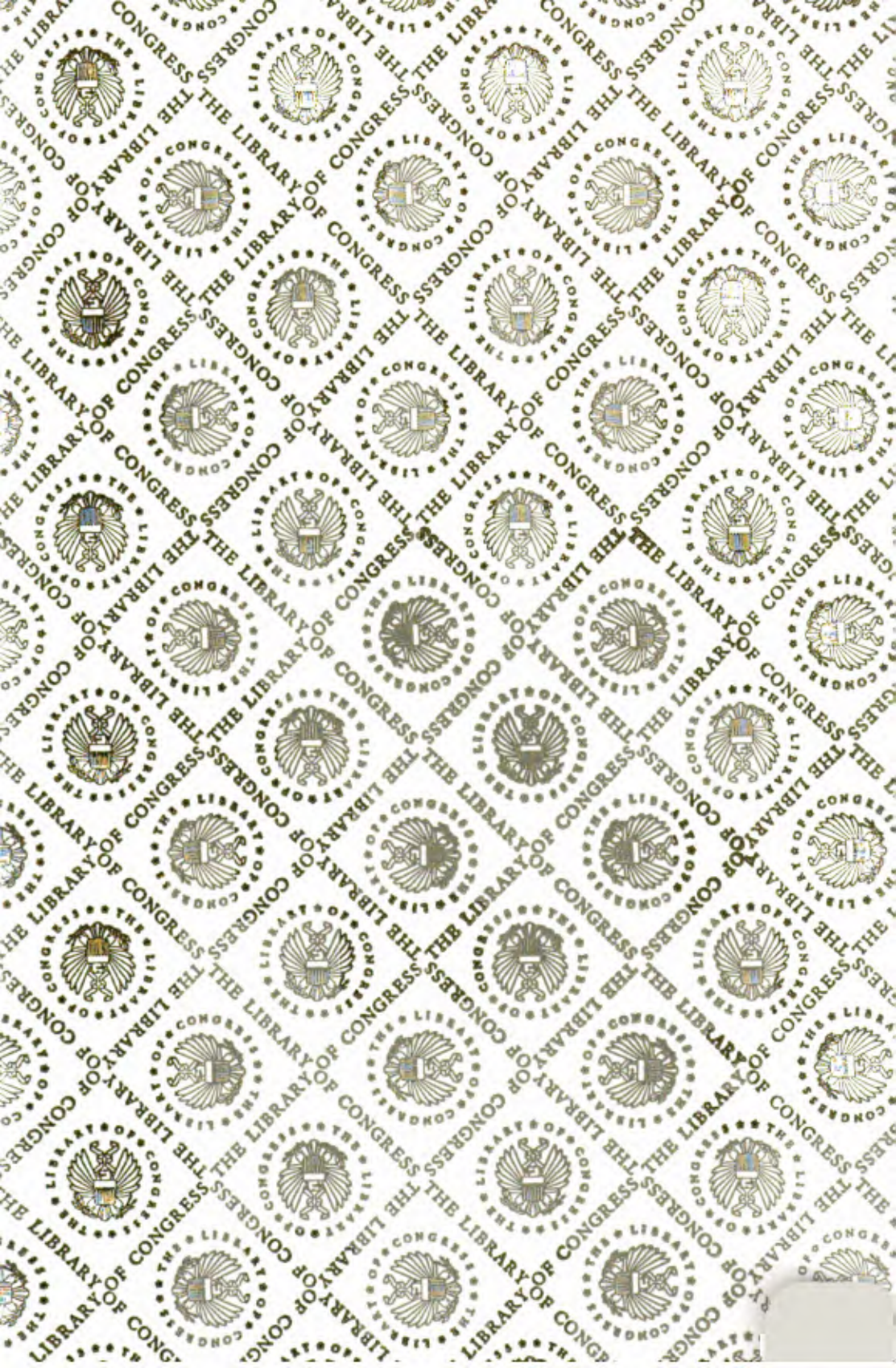
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MODIFICATION OF THE FOREIGN AGENTS REGISTRATION ACT OF 1938

HEARING

BEFORE THE

SUBCOMMITTEE ON ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS

OF THE

COMMITTEE ON THE JUDICIARY HOUSE OF REPRESENTATIVES

ONE HUNDRED SECOND CONGRESS

FIRST SESSION

ON

H.R. 1725, H.R. 1381, and H.R. 806

TO STRENGTHEN THE FOREIGN AGENTS REGISTRATION ACT OF 1938

JULY 24, 1991

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MODIFICATION OF THE FOREIGN AGENTS REGISTRATION ACT OF 1938

WEDNESDAY, JULY 24, 1991

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON ADMINISTRATIVE LAW
AND GOVERNMENTAL RELATIONS,
COMMITTEE ON THE JUDICIARY,
Washington, DC.

The subcommittee met, pursuant to notice, at 10:09 a.m., in room 2226, Rayburn House Office Building, Hon. Barney Frank (chairman of the subcommittee) presiding.

Present: Representatives Barney Frank, Don Edwards, George W. Gekas, and Jim Ramstad.

Also present: Roy A. Dye, legislative specialist; Cynthia Blackston, chief clerk; and Raymond V. Smietanka, minority counsel.

Mr. FRANK. The Subcommittee on Administrative Law and Governmental Relations will come to order.

I apologize for my lateness. I miscalculated and I apologize.

We will get right to it. This is a hearing called to deal with legislation amending the Foreign Agents Registration Act submitted by our colleague and former chairman of this subcommittee, Dan Glickman of Kansas, who is one of the most knowledgeable and thoughtful Members with regard to this whole area. It is the result of work that he has done that we have this legislation and that we are here.

[The bills, H.R. 1725, H.R. 1381, and H.R. 806, follow:]

102D CONGRESS
1ST SESSION

H. R. 1725

To strengthen the Foreign Agents Registration Act of 1938, as amended.

IN THE HOUSE OF REPRESENTATIVES

APRIL 11, 1991

Mr. GLICKMAN (for himself, Mrs. SCHROEDER, Mr. HUGHES, Mr. BONIOR, Mr. DERRICK, Mr. BERMAN, Mr. BRYANT, Mr. FEIGHAN, Mr. WYDEN, Mr. HOAGLAND, Mr. ROSE, and Mr. GEJDENSON) introduced the following bill; which was referred to the Committee on the Judiciary

---

A BILL

To strengthen the Foreign Agents Registration Act of 1938, as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STRENGTHENING THE FOREIGN AGENTS REGISTRATION ACT OF 1938, AS AMENDED.

(a) DEFINITIONS.—

(1) AGENT OF A FOREIGN PRINCIPAL.—(A) Section 1(c) of the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 611(c)), is amended—

(i) by striking "Expect" and inserting "Except";

(ii) by striking "agent of a foreign principal" each place it appears and inserting "representative of a foreign principal";

(iii) in paragraph (1) by striking "and" after the semicolon at the end of clause (iv);

(iv) in paragraph (2) by striking the period and inserting "; and"; and

(v) by adding at the end the following:

"(3) any person who engages in political activities for purposes of furthering commercial, industrial, or financial operations with a foreign principal.

For purposes of clause (1), a foreign principal shall be considered to control a person in major part if the foreign principal holds more than 50 percent equitable ownership in such person or, subject to rebuttal evidence, if the foreign principal holds at least 20 percent but not more than 50 percent equitable ownership in such person.".

(B) Section 1(d) of that Act (22 U.S.C. 611(d)) is amended to read as follows:

"(d) The term 'representative of a foreign principal' does not include—

"(1) any news or press service or association organized under the laws of the United States or of

any State or other place subject to the jurisdiction of the United States, or any newspaper, magazine, periodical, or other publication for which there is on file with the United States Postal Service information in compliance with section 3685 of title 39, United States Code, published in the United States, solely by virtue of any bona fide news or journalistic activities, including the solicitation or acceptance of advertisements, subscriptions, or other compensation therefor, so long as it is at least 80 percent beneficially owned by, and its officers and directors, if any, are citizens of the United States, and such news or press service or association, newspaper magazine, periodical, or other publication, is not owned, directed, supervised, controlled, subsidized, or financed, and none of its policies are determined by any foreign principal defined in subsection (b) of this section, or by any representative of a foreign principal required to register under this Act; or

"(2) any incorporated, nonprofit membership organization organized under the laws of the United States or of any State or other place subject to the jurisdiction of the United States that is registered under section 308 of the Federal Regulation of Lobbying Act and has obtained tax-exempt status under

section 501(c) of the Internal Revenue Code of 1986 and whose activities are directly supervised, directed, controlled, financed, or subsidized in whole by citizens of the United States.".

(2) POLITICAL PROMOTIONAL OR INFORMATIONAL MATERIALS.—Section 1(j) of that Act (22 U.S.C. 611(j)) is amended—

(A) by striking "propaganda" and inserting "promotional or informational materials"; and

(B) by striking "prevail upon, indoctrinate, convert, induce, persuade, or in any other way" and inserting "in any way".

(3) POLITICAL ACTIVITIES.—Section 1(o) of that Act is amended—

(A) by striking "prevail upon, indoctrinate, convert, induce, persuade, or in any other way" and inserting "in any way"; and

(B) by striking "or changing the domestic or foreign" and inserting "enforcing, or changing the domestic or foreign laws, regulations, or".

(4) POLITICAL CONSULTANT.—Section 1(p) of that Act (22 U.S.C. 611(p)) is amended—

(A) by inserting "(1)" after "any person"; and

(B) by inserting before the semicolon the following: ", or (2) who distributes political promotional or informational materials to an officer or employee of the United States Government, in his or her capacity as such officer or employee".

(5) SERVING PREDOMINANTLY A FOREIGN INTEREST.—Section 1(q) of that Act (22 U.S.C. 611(q)) is amended—

(A) by striking "and" at the end of clause (ii) of the proviso; and

(B) by inserting before the period at the end the following: ", and (iv) such activities do not involve the representation of the interests of the foreign principal before any agency or official of the Government of the United States other than providing information in response to requests by such agency or official or as a necessary part of a formal judicial or administrative proceeding, including the initiation of such a proceeding.".

(b) SUPPLEMENTAL REGISTRATION.—Section 2(b) of that Act (22 U.S.C. 612(b)) is amended—

(1) in the first sentence by striking ", within thirty days" and all that follows through "preceding six months' period" and inserting "on January 31 and July 31 of each year file with the Attorney General a supplement thereto under oath, on a form prescribed by the Attorney General, which shall set forth regarding the six-month periods ending the previous December 31, and June 30, respectively, or, if a lesser period, the period since the initial filing,"; and

(2) by inserting after the first sentence the following new sentence: "Any agent using an accounting system with a fiscal year which is different from the calendar year may petition the Attorney General to permit the filing of supplemental statements at the close of the first and seventh month of each such fiscal year in lieu of the dates specified by the preceding sentence.".

(c) REMOVAL OF EXEMPTION FOR CERTAIN COUNTRIES.—Section 3(f) of that Act (22 U.S.C. 613(f)) is repealed.

(d) LIMITING EXEMPTION FOR LEGAL REPRESENTATION.—Section 3(g) of that Act (22 U.S.C. 613(g)) is amended by striking "or any agency of the Government of the United States" and all that follows through "infor-

mal" and inserting "or before the Patent and Trademark Office, including any written submission to that Office".

(e) NOTIFICATION OF RELIANCE ON EXEMPTIONS.—Section 3 of that Act (22 U.S.C. 613) is amended by adding at the end the following:

"Any person who does not register under section 2(a) on account of any provision of subsections (a) through (g) of this section shall so notify the Attorney General in such form and manner as the Attorney General prescribes.".

(f) CIVIL PENALTIES AND ENFORCEMENT PROVISIONS.—Section 8 of that Act (22 U.S.C. 618) is amended by adding at the end the following:

"(i)(1) Any person who is determined, after notice and opportunity for an administrative hearing—

"(A) to have failed to file when such filing is required a registration statement under section 2(a) or a supplement thereto under section 2(b),

"(B) to have omitted a material fact required to be stated therein, or

"(C) to have made a false statement with respect to such a material fact,

shall be required to pay for each violation committed a civil penalty of not less than $2,000 and not more than $1,000,000. In determining the amount of the penalty, the

Attorney General shall give due consideration to the nature and duration of the violation.

"(2)(A) Whenever the Attorney General has reason to believe that any person may be in possession, custody, or control of any documentary material relevant to an investigation regarding any violation of paragraph (1) of this subsection or of section 5, the Attorney General may, before bringing any civil or criminal proceeding thereon, issue in writing, and cause to be served upon such person, a civil investigative demand requiring such person to produce such material for examination.

"(B) Civil investigative demands issued under this paragraph shall be subject to the applicable provisions of section 1968 of title 18, United States Code.".

(g) CHANGE IN SHORT TITLE OF THE ACT.—Section 14 of that Act (22 U.S.C. 611 note) is amended by striking "Foreign Agents Registration Act of 1938, as amended" and inserting "Foreign Interests Representation Act".

SEC. 2. CONFORMING AMENDMENTS.

(a) REFERENCES TO AGENT OF A FOREIGN PRINCIPAL.—The Foreign Interests Representation Act is amended—

(1) by striking "agent of a foreign principal" each place it appears and inserting "representative of a foreign principal";

tion 1(d) of the Foreign Interests Representation Act (22 U.S.C. 611(d)),".

(4) Section 34(a) of the Trading With the Enemy Act (50 U.S.C. App. 34(a)) is amended by striking "Act of June 8, 1934 (ch. 327, 52 Stat. 631), as amended" and inserting "Foreign Interests Representation Act".

(5) Section 512(a) of the Comprehensive Anti-Apartheid Act of 1986 (22 U.S.C. 5101(a)) is amended by striking "Foreign Agents Registration Act of 1938" and inserting "Foreign Interests Representation Act".

102D CONGRESS
1ST SESSION

H. R. 1381

To strengthen the Foreign Agents Registration Act of 1938, as amended.

IN THE HOUSE OF REPRESENTATIVES

MARCH 12, 1991

Mr. JOHNSON of South Dakota introduced the following bill; which was referred to the Committee on the Judiciary

---

A BILL

To strengthen the Foreign Agents Registration Act of 1938, as amended.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. STRENGTHENING THE FOREIGN AGENTS REGISTRATION ACT.

(a) DEFINITION OF AGENT OF A FOREIGN PRINCIPAL.—Section 1(c) of the Foreign Agents Registration Act of 1938, as amended (22 U.S.C. 611(c)) is amended by adding at the end thereof the following new sentence: "For purposes of clause (1), a foreign principal shall be considered to control a person in major part if the foreign principal holds more than 50 percent equitable ownership

in such person or, subject to rebuttal evidence, if the foreign principal holds at least 20 percent but not more than 50 percent equitable ownership in such person.".

(b) DEFINITION OF SERVING PREDOMINANTLY A FOREIGN INTEREST.—Section 1(q) of such Act (22 U.S.C. 611(q)) is amended—

(1) by striking out "and" at the end of clause (ii) of the proviso; and

(2) by inserting before the period at the end thereof the following: ", and (iv) such activities do not involve the representation of the interests of the foreign principal before any agency or official of the Government of the United States other than providing information in response to requests by such agency or official or as a necessary part of a formal judicial or administrative proceeding, including the initiation of such a proceeding.".

(c) SUPPLEMENTAL REGISTRATION.—Section 2(b) of such Act (22 U.S.C. 612(b)) is amended—

(1) in the first sentence by striking out ", within thirty days" and all that follows through "preceding six months' period" and inserting in lieu thereof "on January 31 and July 31 of each year file with the Attorney General a supplement thereto under oath, on a form prescribed by the Attorney General,

which shall set forth regarding the six-month periods ending the previous December 31, and June 30, respectively, or, if a lesser period, the period since the initial filing,"; and

(2) by inserting after the first sentence the following new sentence: "Any agent using an accounting system with a fiscal year which is different from the calendar year may petition the Attorney General to permit the filing of supplemental statements at the close of the first and seventh month of each such fiscal year in lieu of the dates specified by the preceding sentence.".

(d) LIMITING EXEMPTION FOR LEGAL REPRESENTATION.—Section 3(g) of such Act (22 U.S.C. 613(g)) is amended by striking out "or any agency of the Government of the United States" and all that follows through "informal" and inserting in lieu thereof "or before the Patent and Trademark Office, including any written submission to that Office".

(e) CIVIL PENALTIES AND ENFORCEMENT PROVISIONS.—Section 8 of such Act (22 U.S.C. 618) is amended by adding at the end thereof the following:

"(i)(1) Any person who is determined, after notice and opportunity for an administrative hearing—

"(A) to have failed to file when such filing is required a registration statement under section 2(a) or a supplement thereto under section 2(b),

"(B) to have omitted a material fact required to be stated therein, or

"(C) to have made a false statement with respect to such a material fact,

shall be required to pay a civil penalty in an amount not less than $2,000 or more than $5,000 for each violation committed. In determining the amount of the penalty, the Attorney General shall give due consideration to the nature and duration of the violation.

"(2)(A) Whenever the Attorney General has reason to believe that any person may be in possession, custody, or control of any documentary material relevant to an investigation regarding any violation of paragraph (1) of this subsection or of section 5, he may, before bringing any civil or criminal proceeding thereon, issue in writing, and cause to be served upon such person, a civil investigative demand requiring such person to produce such material for examination.

"(B) Civil investigative demands issued under this paragraph shall be subject to the applicable provisions of section 1968 of title 18, United States Code.".

102D CONGRESS
1ST SESSION

H. R. 806

To amend the Federal Election Campaign Act of 1971 to prohibit contributions and expenditures by multicandidate political committees controlled by foreign-owned corporations, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 5, 1991

Mr. GUARINI (for himself, Ms. KAPTUR, Mr. BONIOR, Ms. LONG, Mr. FUSTER, Mr. TRAFICANT, Mr. MORAN, Mr. DE LUGO, Mr. SMITH of Florida, Mr. PEASE, Mr. KANJORSKI, Mr. BRYANT, Mr. WOLPE, Mr. DEFAZIO, Mr. KILDEE, Mr. CAMPBELL of Colorado, Mr. POSHARD, Mr. FORD of Tennessee, Mr. GEPHARDT, Mr. ECKART, Mr. LEHMAN of Florida, Mr. FORD of Michigan, Mr. LIPINSKI, Mr. BILBRAY, Mr. LANCASTER, Mr. ROE, Mr. ZELIFF, and Mr. HUGHES) introduced the following bill; which was jointly referred to the Committees on House Administration and the Judiciary

---

A BILL

To amend the Federal Election Campaign Act of 1971 to prohibit contributions and expenditures by multicandidate political committees controlled by foreign-owned corporations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Ethics in Foreign Lobbying Act of 1991".

SEC. 2. PROHIBITION OF CONTRIBUTIONS AND EXPENDITURES BY MULTICANDIDATE POLITICAL COMMITTEES OR SEPARATE SEGREGATED FUNDS SPONSORED BY FOREIGN-CONTROLLED CORPORATIONS AND ASSOCIATIONS.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 441 et seq.) is amended by adding at the end the following new section:

"PROHIBITION OF CONTRIBUTIONS AND EXPENDITURES BY MULTICANDIDATE POLITICAL COMMITTEES SPONSORED BY FOREIGN-CONTROLLED CORPORATIONS AND ASSOCIATIONS

"SEC. 324. (a) Notwithstanding any other provision of law—

"(1) no multicandidate political committee or separate segregated fund of a foreign-controlled corporation may make any contribution or expenditure with respect to an election for Federal office; and

"(2) no multicandidate political committee or separate segregated fund of a trade organization, membership organization, cooperative, or corporation without capital stock may make any contribution or expenditure with respect to an election for Federal office if 50 percent or more of the operating fund of the trade organization, membership organization, cooperative, or

corporation without capital stock is supplied by foreign-controlled corporations or foreign nationals.

"(b) The Commission shall—

"(1) require each multicandidate political committee or separate segregated fund of a corporation to include in the statement of organization of the multicandidate political committee or separate segregated fund a statement (to be updated annually and at any time when the percentage goes above or below 50 percent) of the percentage of ownership interest in the corporation that is controlled by persons other than citizens or nationals of the United States;

"(2) require each trade association, membership organization, cooperative, or corporation without capital stock to include in its statement of organization of the multicandidate political committee or separate segregated fund (and update annually) the percentage of its operating fund that is derived from foreign-owned corporations and foreign nationals; and

"(3) take such action as may be necessary to enforce subsection (a).

"(c) The Commission shall maintain a list of the identity of the multicandidate political committees or separate segregated funds that file reports under subsection (b), including a statement of the amounts and percentage reported by such

multicandidate political committees or separate segregated funds.

"(d) As used in this section—

"(1) the term 'foreign-owned corporation' means a corporation at least 50 percent of the ownership interest of which is controlled by persons other than citizens or nationals of the United States;

"(2) the term 'multicandidate political committee' has the meaning given that term in section 315(a)(4);

"(3) the term 'separate segregated fund' means a separate segregated fund referred to in section 316(b)(2)(C); and

"(4) the term 'foreign national' has the meaning given that term in section 319.".

SEC. 3. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

Section 319 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441e) is amended by adding at the end the following new subsection:

"(c) A foreign national shall not direct, dictate, control, or directly or indirectly participate in the decisionmaking process of any person, such as a corporation, labor organization, or political committee, with regard to such person's Federal or non-Federal election-related activities, such as decisions concerning the making of contributions or expendi-

tures in connection with elections for any local, State, or Federal office or decisions concerning the administration of a political committee.".

SEC. 4. ESTABLISHMENT OF A CLEARINGHOUSE OF POLITICAL ACTIVITIES INFORMATION WITHIN THE FEDERAL ELECTION COMMISSION.

(a) There shall be established within the Federal Election Commission a clearinghouse of existing public information regarding the political activities of foreign principals and foreign agents (as defined by the Foreign Agents Registration Act of 1938, as amended). The information comprising this clearinghouse shall include and be solely limited to the following:

(1) Existing publicly disclosed registrations and quarterly reports required by the Federal Regulation of Lobbying Act (2 U.S.C. 261–270).

(2) Existing publicly disclosed registrations and quarterly reports required by the Foreign Agents Registration Act, as amended (22 U.S.C. 611–621).

(3) The catalogue of public hearings, hearings witnesses and witness affiliations as printed in the Congressional Record.

(4) Existing public information disclosed pursuant to House and Senate rules regarding honoraria, the receipt of gifts, travel, earned and unearned income,

post-congressional employment, and conflict of interest regulations.

(5) Existing public information disclosed pursuant to the requirements of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(b) Notwithstanding any other provision of law, the disclosure by the clearinghouse of any information other than that set forth in subsection (a) shall be prohibited except by Act of Congress.

(c) A Director shall administer and manage the responsibilities and all activities of the clearinghouse.

(d) The Director shall be appointed by the Federal Election Commission.

(e) The Director shall serve a single term not to exceed 5 years.

(f) There shall be authorized such sums as necessary to conduct activities of the clearinghouse.

SEC. 5. DUTIES AND RESPONSIBILITIES OF THE DIRECTOR OF THE CLEARINGHOUSE.

(a) IN GENERAL.—It shall be the duty of the Director—

(1) to develop a filing, coding, and cross-indexing system to carry out the purposes of this Act (which shall include an index of all persons identified in the

reports, registrations, and other existing public disclosures filed under this Act);

(2) notwithstanding any other provision of law, to make copies of registrations, reports and public disclosures filed with him under this Act available for public inspection and copying, commencing as soon as practicable, and to permit copying of any such registration or report by hand or by copying machine or, at the request of any person, to furnish a copy of any such registration or report upon payment of the cost of making and furnishing such copy; but no information contained in such registration or report shall be sold or utilized by any person for the purpose of soliciting contributions or for any profit-making purpose;

(3) to compile and summarize, for each calendar quarter, the information contained in such registrations, reports, and other existing public disclosures required by this Act in a manner which facilitates the disclosure of political activities, including, but not limited to, information on—

(A) political activities pertaining to issues before the Congress and issues before the executive branch; and

(B) the political activities of individuals, organizations, foreign principals, and foreign agents

who share an economic, business, or other common interest;

(4) to make the information compiled and summarized under paragraph (3) available to the public within 30 days after the close of each quarterly period, and to publish such information in the Federal Register at the earliest practicable opportunity;

(5) not later than 150 days after the date of the enactment of this Act and at any time thereafter, to prescribe, in consultation with the Comptroller General of the United States, rules, regulations, and forms, in conformity with the provisions of chapter 5 of title 5, United States Code, as are necessary to carry out the provisions of this Act in the most effective and efficient manner;

(6) at the request of any Member of the Senate or the House of Representatives, to prepare and submit to such Member a special study or report relating to the political activities of any person, such report to consist solely of the information in the registrations, reports, and other publicly disclosed information required in this Act;

(7) to require the accurate, timely, and complete transfer of information required under section 1 of this Act to the clearinghouse; and

(8) to refer to the Comptroller General for investigation any instances where registrations, reports, and political information required in section 1 of this Act are not forwarded to the clearinghouse in an accurate, timely, and complete fashion.

(b) DEFINITIONS.—As used in this section—

(1) the term "issue before the Congress" means the total of all matters, both substantive and procedural, relating to (A) any pending or proposed bill, resolution, report, nomination, treaty, hearing, investigation, or other similar matter in either the Senate or the House of Representatives or any committee or office of the Congress, or (B) any action or proposed action by a Member, officer, or employee of the Congress to affect, or attempt to affect, any action or proposed action by any officer or employee of the executive branch; and

(2) the term "issue before the executive branch" means the total of all matters, both substantive and procedural, relating to any action or possible action by any executive agency, or by any officer or employee of the executive branch, concerning (A) any pending or proposed rule, rule of practice, adjudication, regulation, determination, hearing, investigation, contract, grant, license, negotiation, or the appointment of officers and

employees, other than appointments in the competitive service, or (B) any issue before the Congress.

SEC. 6. AMENDMENTS TO THE FOREIGN AGENTS REGISTRATION ACT OF 1938, AS AMENDED.

(a) Section 2(b) of the Foreign Agents Registration Act of 1938, as amended, is amended in the first sentence by striking out ", within thirty days" and all that follows through "preceding six months' period" and inserting in lieu thereof "on January 31, April 30, July 31, and October 31 of each year, file with the Attorney General a supplement thereto on a form prescribed by the Attorney General, which shall set forth regarding the three-month periods ending the previous December 31, March 31, June 30, and September 30, respectively, or if a lesser period, the period since the initial filing,".

(b) Section 3(g) of the Foreign Agents Registration Act of 1938, as amended, is amended by inserting after "whether formal or informal." the following: "Notwithstanding any other provision of law, persons covered by this subsection shall be exempt only upon filing with the Attorney General an affirmative request for exemption.".

(c) Section 8 of the Foreign Agents Registration Act of 1938, as amended, is amended by adding at the end thereof the following:

"(i)(1) Any person who is determined, after notice and opportunity for an administrative hearing—

"(A) to have failed to file a registration statement under section 2(a) or a supplement thereto under section 2(b),

"(B) to have omitted a material fact required to be stated therein, or

"(C) to have made a false statement with respect to such a material fact,

shall be required to pay a civil penalty in an amount not less than $2,000 or more than $5,000 for each violation committed. In determining the amount of the penalty, the Attorney General shall give due consideration to the nature and duration of the violation.

"(2)(A) In conducting investigations and hearings under paragraph (1), administrative law judges may, if necessary, compel by subpoena the attendance of witnesses and the production of evidence at any designated place or hearing.

"(B) In the case of contumacy or refusal to obey a subpoena lawfully issued under this paragraph and, upon application by the Attorney General, an appropriate district court of the United States may issue an order requiring compliance with such subpoena and any failure to obey such order may be punished by such court as contempt thereof.".

Mr. FRANK. Opening statement, Mr. Gekas.

Mr. GEKAS. Only to say that I'm interested in the opening statements to be made by the sponsors of the bill. With the admonition of some and relief to others, I have to leave right afterwards to go to another meeting.

Mr. FRANK. The hearing will proceed. We will hear first from our colleagues. These are mornings when there are a number of conflicting requirements on Members, which is probably why I'm late. So, I will explain to others who are here, whose willingness to come and testify we appreciate, that we will accommodate Members when they come because they are likelier than others to have two or three other places they're supposed to be at the same time.

We will begin with Mr. Glickman and then we'll go to Ms. Kaptur. I should note that this is a subject in which she has also taken a very great interest. Ms. Kaptur is one of the people who is most responsible for the fact that we now have on our books legislation regulating the sort of lobbying that can be done by members of both the legislative and executive branches after they have left office. It was her interest in this, as I recall brought to her attention by a constituent who had an unfortunate experience in a trade matter several years ago, that led her to become particularly interested in improving the laws governing lobbying by represenatives of foreign interests. While we have made some progress, I know she believes we need to do more. So, we are glad to have her as a sign of her continuing leadership on this whole set of issues.

Mr. Glickman, we'll begin with you.

STATEMENT OF HON. DAN GLICKMAN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF KANSAS

Mr. GLICKMAN. Thank you, Chairman Frank, Mr. Gekas. Knowing how you like to run a hearing, Barney, I won't thank you—well, I already did that—I won't tell you who I am; I won't go through the provisions of my bill line by line. It's in the record——

Mr. FRANK. From your lips to everybody else's ears.

[Laughter.]

Mr. GLICKMAN. OK, I'll get straight to the point.

I've been interested in rewriting FARA, the Foreign Agents Registration Act, since I chaired this subcommittee, and a number of highly publicized incidents in the last year have made it clear to me that FARA is either widely misunderstood, ignored, poorly written, not enforced or all of the above. I do not believe the statute is easy to figure out, easy to enforce, or that it provides easy access to useful information about lobbyists and their patrons.

The bottom line is that Members of Congress, executives, the press, and average citizens should be able to find out who is paying for influence in our Government, especially when we are talking about foreign influence. We need to know whether the process of writing our trade laws is somehow tainted or if enforcement is influenced by the very people these laws are meant to regulate.

My bill does much of what former Senator Heinz and my colleague, Tim Johnson, have done in the past in trying to more clearly define what constitutes foreign ownership: Narrowing lawyers' exemption, providing civil penalties and additional enforcement

tools, and setting uniform filing dates. But, my bill differs in several respects I will mention briefly.

First, it tries to remove the stigma of being labeled a foreign agent by changing the name of the law to the Foreign Interests Representation Act, covering representatives of a foreign interest. Other terms like "propaganda" and "indoctrinate" are also changed with more neutral language. This bill was adopted in the pre-World War II setting, and it doesn't make sense to have the same rules operative as we did when we were facing the Japanese and the Germans in the 1930's.

Second, I try to reach something which has come to be referred to as "leverage lobbying," where a foreign business or government uses an existing business relationship to pressure a domestic entity to lobby on their behalf. An example would be, for instance, a veiled threat by the Chinese Government to cancel contracts with American companies unless those American companies expressed to Congress a clear desire for unconditional most favored nation trading status. Now that is a purely hypothetical example, of course. I mean, I have no actual knowledge of that happening, but my bill would cover such a situation.

Another example might be a Japanese semiconductor chip supplier suggesting that its American customers try to influence the United States-Japan semiconductor chip agreement. Again, my bill would cover that.

Third, my bill narrows an exemption which allows an agent of a foreign principal to not register so long as they take part only in nonpolitical activities in furtherance of bona fide commercial interests. Well, commercial interests are our main concern now, and the statute should reflect that. My bill only allows these individuals to respond to direct requests by an agency or in the context of a formal judicial or administrative proceeding; that is, if they want to remain exempt from registration.

Finally, my bill would require notification of reliance on one of the remaining exemptions. Many commentators have surmised that lax enforcement of FARA has resulted in underfiling due to casual, broad reliance on the act's exemptions. The filing of such notice will at least ensure that potential registrants have read the act and are aware of the consequences of ignoring or intentionally violating its requirements.

I have other provisions. The bill primarily only has criminal sanctions to it. We add civil and administrative sanctions, equitable relief, and there are other provisions of the bill which make enforcement more feasible.

I know some people, including some of the folks who will testify following me, have suggested wiping all of the lobbying disclosure laws off the books and starting fresh with a single global statute. Unfortunately, I remember the last time we tried that back in the late 1970's. It was the first time every interest group in Washington was united on anything, and it was against such a proposal.

So, I would encourage you to look at the FARA aspects on their own, even though it may be useful to have centralized filing for foreign and domestic lobbying and in some way to make it easier on the folks, so that there's some regularity in the process, but not to

look at this issue necessarily as a way to look at the whole lobbying disclosure effort, which is probably a recipe for doing nothing.

I thank you very much for allowing me to testify, Mr. Chairman.

Mr. FRANK. Thank you, Mr. Glickman.

[The prepared statement of Mr. Glickman follows:]

STATEMENT BY REPRESENTATIVE DAN GLICKMAN (D-KS)
BEFORE THE SUBCOMMITTEE ON ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS
ON THE FOREIGN INTERESTS REPRESENTATION ACT OF 1991
JULY 24, 1991

Thank you, Chairman Frank, for allowing me to testify today. I am pleased also to see my colleagues here to add their concerns about the issue of lobbying by foreign interests. We are facing a crisis in this country and I am not sure many of us in government even realize it. The average American is feeling more and more alienated from the political process, and much of that alienation stems from the perception of monied interests having special access to Congress and the executive branch. Congress needs to respond, because such alienation is very damaging to our democracy in the long run.

I decided to work on one small piece of this problem. In April, I introduced legislation to tighten, toughen, and update the Foreign Agents Registration Act. My bill will require persons whose lobbying of the legislative or executive branch would benefit a foreign interest to disclose the details of their activities. This legislation is intended simply to shed sunshine on lobbying by foreign interests so legislators, administrators and the American public are aware of who is working to influence public policy, and who is paying for it. I want to pay tribute to the late Senator John Heinz, who did a great deal of work in this area before his recent death. Much of my bill is derived from his efforts. I

The world has changed dramatically since the Foreign Agents Registration Act was originally used to disclose Nazi and communist propeganda in the 1930s and 1940s. With the end of the Cold War, we should be less worried about ideological indoctrination and focus our concern instead on the global economic competition that has seen some of our nation's strongest industries overwhelmed and finest economic and cultural assets sold to foreign purchasers.

Foreign corporations and governments spend hundreds of millions of dollars annually to gain access and advantage in the American economy. They employ influential lobbyists, many of whom are well-respected former U.S. government officials, to make their case in Washington. Many of our top trade negotiators leave government only to appear the next week at the opposite side of the bargaining table representing foreign interests. This may be perfectly legal, indeed, we set the rules and create the economic circumstances which invite foreign investment. Our free trade policies and huge budget deficits have opened the door wide to foreign investors. We need foreign investment, but we do not want foreign investors to begin setting the rules and policies which govern our country.

In a number of cases in recent years, foreign corporations have hired teams of Washington lobbyists and public relations professionals to silence possible government interference in foreign buyouts of U.S. corporations, and oppose efforts in Congress to impose trade sanctions for unfair and

illegal trade practices. Many of these efforts currently are not covered by the Foreign Agents Registration Act.

I believe all contacts with the government intended to benefit a foreign principal, other than informational filings required by law, should be disclosed to the Justice Department. My legislation will close a number of loopholes in the law which allow "informational visits" to go undisclosed and persons not employed by the foreign entity to be exempt, even though their work clearly benefits a foreign interest.

Let me explain the major provisions of my bill:

First, my legislation attempts to get rid of the stigma attached to the label "foreign agent," which is commonly believed to cause great reluctance to register with the Justice Department. It is widely held that the approximately 900 persons currently registered represent only a fraction of the total who should register under FARA. FARA would be renamed as the "Foreign Interests Representation Act." The term "political propaganda" would also be dropped in favor of "promotional or informational materials." Other negative terms like "indoctrinate" and "convert" would be replaced by the neutral term "influence."

Second, the bill would create a new category of "representative of a foreign interest" required to register with the Justice Department; persons who are not controlled by a foreign interest but who undertake political activities in furtherance of commercial, industrial, or financial operations with a foreign principal. This would bring under the law a whole category of lobbying by individuals and corporations attempting to influence public policy to substantially benefit a foreign entity as well as themselves. American corporations who, for example, seek action to end sanctions against a foreign country or company or ask the government to refrain from enforcing the trade laws have the same effect as if the foreign entity did the lobbying directly and should be required to register.

Third, my bill establishes a test to determine what constitutes foreign control. Entities that are more than 50% foreign owned would be presumed to be foreign controlled and required to register. Entities with between 20 and 50% foreign ownership would also be considered foreign controlled, but the presumption could be rebutted with evidence. Less than 20% foreign ownership would not require registration. This attempts to clear up an area of frequent confusion which may have contributed to under-registration in the past.

Fourth, my bill narrows an exemption which allows an agent of a foreign principal to not register as long as they take part only in non-political activities in furtherance of bona fide commercial interests. My bill only allows these individuals to respond to direct requests by an agency or in the context of a formal judicial or administrative proceeding, that is, if they want to remain exempt from registration. This provision addresses a grey area of contact which I believe should be prohibited unless it is disclosed.

Fifth, my bill addresses one of the administrative problems which

hampers the effectiveness of FARA. Currently, registrants submit updated disclosure forms every six months after the initial registration. This system has made it almost impossible to know at any given time how many persons are registered and files are never really current. My bill would require follow-up registration forms to be filed by January 30 and June 30 each year. There would be a provision for the Justice Department to make exceptions for entities whose fiscal year does not follow the calendar year on a case-by-case basis.

Sixth, my bill eliminates an exemption which allows the President to exempt foreign governments "vital to the U.S. defense." This is a confusing provision, which I am told by the Justice Department has not been used in 40 years.

Seventh, my bill narrows the current exemption for lawyers to address a grey area of contact with agency officials that may concern a formal administrative proceeding but is nonetheless "off the record." So much in the area of trade is decided by federal agencies that a blanket exemption for administrative proceedings no longer is justified. The exemption remains for representation before a court of law and before the patent and trademark office, which proceedings are secret under current law.

Eighth, my bill requires persons relying on one of the exemptions under the act to notify the Justice Department of their intention. Many commentators have surmised that lax enforcement of FARA has resulted in underfiling due to casual, broad reliance on the act's exemptions. The filing of such notice will at least ensure that potential registrants have read the act and are aware of the consequences of ignoring or intentionally violating its requirements.

Finally, my bill establishes civil penalties and enforcement tools. The harsh criminal penalties in FARA may be one reason the Justice Department has been reluctant to enforce the act. So, I have set out more reasonable civil penalties, in addition to existing criminal penalties, for violating the act and for late filings. The penalties give a judge flexibility to impose fines of between $2,000 and $1,000,000, depending on the nature and duration of the violation. In addition, my bill gives the Justice Department the power to summon individuals to testify and produce records, tools of enforcement which are badly needed.

Mr. Chairman, I don't know if this is the right approach to creating full and open disclosure of lobbying activities. Some suggest scrapping all the lobbying laws and making one, simple statute without exemptions. I am sympathethic to this approach, but I still remember the last time we tried to reform the lobbying laws in the late 1970s. It was an extremely contentious issue. I look forward to the testimony of the witnesses and my colleagues and to working with the Chairman to craft appropriate legislation. Thank you.

Mr. FRANK. We'll take Ms. Kaptur and then questions, if that's OK, if you have some time.

Mr. GLICKMAN. Sure, sure.

Mr. FRANK. Marcy.

STATEMENT OF HON. MARCY KAPTUR, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Ms. KAPTUR. I thank you, Mr. Chairman and Mr. Gekas. I must say it's a pleasure to appear before you. I know what an effective chairman you are, and if it were not for your leadership, the Ethics in Government Act would not have been passed just 2 years ago. We thank you for working with us and being interested, deeply interested, in this topic.

I also have to say that Dan Glickman's leadership in this area has really given me a lot more respect for the Congress, that maybe you can really do something if you stay at a subject that is complicated and where various interests come into play.

So, it's a pleasure to appear before you here today, and I would like to submit my full statement for the record, Mr. Chairman, and I will briefly summarize.

Mr. FRANK. Without objection, so ordered.

Ms. KAPTUR. You were correct, and you have a very photographic memory, I did get involved in this back in 1985 because of a statement made by business people in my area that they really did not trust the Government of the United States, because they didn't feel it could keep proprietary information that they had shared with it, because they couldn't trust the individuals working for our country. Others felt overwhelmed by the vast sums of money being spent, including by now foreign competitors here in Washington, to influence legislation related to their industries.

As a result, I have developed two bills. The one I want to talk about very briefly today is H.R. 806, the Ethics in Foreign Lobbying Act, and specifically section 6 of that bill, and I will summarize it very quickly.

But, before I do that, I just want to say that I think what makes 1991 different from what FARA originally passed in 1938 is that the sums of money now spent to lobby Congress on issues of concern to private sector interests is vast compared to one-half century ago. I think it has gone up geometrically, and also the growing influence of foreign money focused on public decisions relating to trade and commercial transactions and other issues in our country has expanded exponentially as well. That's very different. I think there was more of a political twist back in the 1930's.

Our bill basically would ask FARA be amended to require written notification of all exemption claims. It does so by amending FARA in the section that deals with the attorney exemption clause to require registrants and potential registrants to file an affirmative request for exemption. As you know, the current act has some rather interesting exemptions, and they include diplomatic, humanitarian, commercial, and legal activities.

Back in 1966, when FARA was amended then, according to the committee report—and I found this interesting—the primary purpose of the 1966 amendments was to focus the, "pitiless spotlight of

publicity on efforts made on behalf of foreign principals to influence U.S. policies." But, we know even with those amendments as passed, according to the 1980 GAO report, 67 percent of the reports filed were late and 70 percent lacked essential data. All of the other GAO studies indicate that the filings are very incomplete and there is certainly no enforcement of existing law.

So, our proposal really goes at the heart of the registration activity. In addition to that, I think Congressman Guarini will be talking more about the clearinghouse and the lawyers' exemption. So, I will not go over that.

But, Mr. Chairman and members, I would ask your serious consideration of section 6 of our bill to disclose to the public the sources of influence affecting public decisions and assure the public's right to know, and that way we can truly assure democratic government based on open procedures and true sunshine.

I thank you.

Mr. FRANK. Thank you.

[The prepared statement, with attachments, of Ms. Kaptur follows:]

STATEMENT OF CONGRESSWOMAN MARCY KAPTUR
JULY 24, 1991 BEFORE THE SUBCOMMITTEE ON
ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS

Mr. Chairman, thank you for the opportunity to testify today along with my colleague Rep. Frank Guarini of New Jersey on the need to reform the Foreign Agente Registration Act.

The subject of lobbying -- including lobbying by foreign intereste -- has been of interest to me since 1985. It wae at that time I first talked to busineeeee in my community that experienced deep reservatione about ever dealing with the federal government. They did not trust the people who worked for it to keep proprietary information shared with them by U.S. firme involved in trade and businese with foreign competitors. They had eeen U.S. government employees go to work on behalf of their foreign competition. Others felt overwhelmed by the vast sums of money being spent by foreign competitore in Waehington, D.C. to influence legielation related to their industry as it moved through key subcommitteee.

I have eince developed two bills to address this ieeue and in the proceee have concluded we muet look equarely at how legielation ie influenced in our country by those who can afford to pay huge eume to do eo. The predisposition, however, has been to close our eyes to what is happening on the notion that commercial transactions are somehow worthy of epecial protection under the law. What makee 1991 different from 1938 when FARA was originally paesed is that 1) the eume of money now spent to lobby Congress on iseues of concern to private sector intereete is vast compared to one-half century ago 2) the growing influence of foreign money focueed on public decieions relating to trade and commercial transactions in the U.S. hae expanded exponentially.

We all know, every year epecial intereste epend millions of dollars to influence the U.S. political proceee. Foreign commercial intereete have now been added to the mix due to changes in the global marketplace. For example, it is estimated Japan alone spende $100 million a year on lobbying in Waehington, D.C. as documented in the recent book Agente of Influence by Dr. Pat Choate. Thie money is epent on high powered lobbyists, many former U.S. government officials, or comes in the form of PAC contributions from foreign controlled corporatione or their trade aseociations.

Today I would like to focue on H.R. 806, Ethice in Foreign Lobbying, which I developed with Rep. Guarini to bring within the public epotlight the growing influence of foreign money in the U.S. election cycle and to put a stop to it. Germane to our discuseion today, I want to epecifically highlight eection 6 of our bill which amende the Foreign Agente Regietration Act of 1938. I will eubmit a eummary of the entire bill for the record.

Our colleague Frank Guarini hae already detailed our

proposal for e clearing house to collect in e centrel point exieting publicly diecloeed lobbying date. He hae eleo expleined the lewyers exemption cleuee of FARA. I would like to reiterete the extent of the problem and why this Committee ehould cloee this exemption.

FARA wee enected 1938 with the intent of protecting the sovereignty of the U.S. and mainteining e political eyetem thet reflects the will of our citizenry. It was specifically written to prevent covert foreign political influence end politicel espionege ectivities. It wes eleo enected to restrain the ebility of foreign governments, individuals, orgenizatione, and corporate entitiee to influence our domestic politicel syetem.

FARA required egente engaged in political ectivities on behalf of foreign principals to publicly report their activities end financee. The Act, amended in 1966, requiree foreign egente to diecloee their connectione with foreign governmente, foreign political partiee, and other foreign principale, ee well ee the ectivitiee they perform on behelf of euch principele in the U.S. Thus, FARA doee not prohibit theee activities, it just requiree e very generel regietretion of them. But the Act providee important exemptions to thie regietretion. The epecific exemptione include diplomatic, humenitarien, commerciel, end legal ectivities. In other worde, lobbyiete who work for en American effiliete of a foreign company, for example, are exempted from filing. So are lawyers who provide legel work for e client, even if thie work would be coneidered lobbying when it ie performed by someone who ie not e lewyer. In addition, the commercial exemption allowe non-regietretion for thoee engeged only in "private end nonpoliticel ectivitiee in furtherance of the bone fide trade or commerce" of e foreign principal. Theee exemptione heve proven to be costly. In practice, the majority of lobbyiete repreeenting foreign intereete, for eny number of reesone, do not bother to register.

The GAO hee exemined FARA periodically. In 1974, the GAO suggested improvemente in the edminietration end enforcement of FARA since incomplete reporte were being filed in an untimely manner. A follow-up etudy in 1980 egein noted thet "pereons were ecting es foreign egente without regietering, regietered egente were not fully diecloeing their ectivitiee, and officiele in the executive branch were often unaware of the Act'e requiremente." The 1980 report indiceted 67% of the reports filed were late and 70% lecked eeeentiel detee.

In 1985, I wee one of eeverel Membere of Congress to request a GAO study to document the extent of enforcement of FARA. The 1986 report thet reeulted egein noted the limited enforcement of FARA end the many exemptione which relieve individuale from the obligetion to regieter even though they repreeent foreign interests. The 1986 etudy identified 76 former high level government officiele who repreeented foreign intereete from 52 countries efter leeving office between 1980 end 1985 but noted that the number is probably much greater.

In a 1990 report on The Department of Juetica'a adminietration of foreign agant regiatration, GAO identified that the Juetice Department currently maintaine filee on only 775 foreign agents. We know the actual number ie in the thoueande. Bacauae of loopholee in tha law, many hundreds or thousande of lawyers are going about the bueinaas of repreaenting foreign intereete before public bodies without diecloeing thie fact. The GAO report further concluded that becauea the Department of Justice did not implament its earlier racommendations to require written notification to the Justica Dapartmant of all axamption claime prior to any agent activity, tha Dapartment haa no information on axemptione. Tha public's right to know is being violatad. The intent of the FARA law is being blatantly circumvented, I would venture to say, often at the expense of tha national interast. Stricter diecloeure and enforcement requiremente are needed so no exemptione are permitted when the public'e businese in involved.

We are submitting for the record 48 pagee of former federal officials who later repreeanted foreign intereeta ae well ae Japan'a regiatered foraign agente in America. Wa are also submitting from the 1986 GAO report 6 pagee of namee of former government officiale who are aleo identified aa ragiataring as foreign agente. These liste are incomplete for two reaeone. One, much of tha exieting information diecloaed by regiatrante ie difficult to locate and houeed at a number of fedaral agencies and offices. More importantly, many foreign agenta exempt themselves from evar regietering; only axtanaive inveatigative reeearch identifiee who their cliente are. Further, GAO, in its 1990 report, straightforwardly statae that "foraign agente may not be regietering." Thie ia confirmed by Chuck Lewis, Director of the Canter for Public Integrity and author of a study of tha revolving door problem at the U.S. Trade Repreeentatives entitlad America'a Frontline Trade Officiala. His raaaarch dieclosed that many former trada officiale who wera repreaanting foreign intareete were not regietered ae foreign agente. Intereetingly, moet of the people he intarviewed who wara not registered did ragieter as a result of hie inquiry. Thay had not bothered ragietaring as long as no one noticad. Under tha current syatem, unleaa uncovered by diligent and indapth reaearch of public minded citizene Choate or Lewis, no one would aver notice. Further, regiatrante are given far too much latituda in daciding what information they may chooae to diecloaa, or if they muet diacloae at all. This ie not in the beet public interaat. We muet requira full public dieclosura of foreign lobbying activitiee while at the same tima etrangthaning all lobbying regietration and dieclosure raquirementa. We all know the public'a attitude about tha axcaaaaa of lobbying and tha deaire to know who ia influencing legislation and key Adminiatration decieiona.

FARA not only allows axemptions, but foreign agents ara not evan required to notify tha Juatice Department whan thay want to exampt themsalves. Our bill specifically address this shortfall. It implementa GAO's recommandations to Justice in its 1980 raport

and again in its 1990 report to amend FARA to require written notification of all exemption claims. H.R. 806 does this in section 6 by amending the Foreign Agents Registration Act attorney exemption clause to require registrants and potential registrants to file an affirmative request for exemption.

In addition, the Act amends FARA by changing the reporting period from 6 months to calendar quarters, which addresses GAO's concerns about the lack of timeliness of the filing of the reports. GAO was further concerned about the lack of fulfilling the Act's goal of providing the public with sufficient information on foreign agents and their activities. The creation of the clearinghouse addresses this concern.

Our clearinghouse would bring sunshine on all the information that is currently disclosed. Important to the clearinghouse provision is section 6 of H.R. 806 which closes the disclosure loopholes in FARA. This change would improve the quality of the reported information by requiring all foreign agents to register, and give us complete information on whose interests lobbyists are representing.

If FARA is to have effect and treat all interest groups similarly, the amendments we have suggested are essential. Only then can we assure we are disclosing to the public the sources of influence affecting public decisions and assure "the public's right to know."

Thank you.

Information from a book by Pat Choate entitled, Agents of Influence, published in 1990 by Alfred A. Knopf, Inc.

APPENDIX A

Former Federal Officials Who Later Represented Foreign Interests

(A Partial List of Officeholders, 1980–1990)

AGENT[1]	GOVERNMENT BOARDS	PUBLIC POSITION	FIRM OF EMPLOYMENT	POSITION	CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1990)
Alberger, William B.	Intl. Trade Comm.	Chairman	Corvey, Schubert and Baver		Japan Deep Sea Trawler	Japan	$ 174,827
					SONATRACH	Algeria	53,880
					China Ocean Shipping	China	38,827
					Japan Fisheries Assn.	Japan	30,983
					Kidd Creek Mines	Australia	— as —
					Energy Resources	Australia	— as —
			Bishop, Cook		Sugino Cycle, Inc.	Japan	— as —
					Sakai Ringyo Co.	Japan	— as —
					Cotia Comerc. Imp./Exp.	Brazil	— as —
Aldous, Grant	Dept. of State	Spec. Asst. to Under Secy. for Econ. Affairs	Miller & Chevalier		Government of Canada	Canada	508,950
Aldridge, Diana	U.S. Senate	Senate Aide	Hill & Knowlton		Hyundai Motor America	South Korea	455,081
					Intl. Reporting and Info.	Intl.	— as —
					Prince Talal	Saudi Arabia	— as —
					Republic of Korea	South Korea	— as —
					Government of Canada	Canada	— as —
					Govt./Repub. of Turkey	Turkey	— as —
Allen, Richard V.	White House	Natl. Security Adviser	Richard V. Allen Company		Seoul Olympic Org. Com.	South Korea	571,059
					Chinese Assn. Intl. and Comm.	Taiwan	1,580,000
					Panama Canal Study Org.	Japan	598,800
					Alitalia	Italy	82,736
					Baden-Wirttemberg Dev.	W. Germany	36,944
					Korean Overseas Information Service	South Korea	— as —
Allison, Thomas	Dept. of Transp.	General Counsel	Preston, Thorgrimson		Government of Nauru	Nauru	500,978
Altschuler, Irwin	Dept. of Treasury	Atty., Off. of Reg. Counsel, U.S. Customs Service	Brownstein, Zeidman		Comaro de la Industria de Transformación	Mexico	88,197
					Vitrorias Cristaleria	Mexico	— as —
Amerine, David	Dept. of Commerce	Atty., Off. of Gen. Counsel	Brownstein, Zeidman		Comaro de la Industria de Transformación	Mexico	88,197
Anderson, Jean	Dept. of Commerce	Chief Counsel, Intl. Trade	Weil, Gotshal and Manges		Noranda	Canada	— as —

Note. All those listed in Appendix A have submitted signed registration statements—now form OMB 1105-0013—or other personally signed contracts for representation with the Foreign Agent Registration Act/Public Office of the United States Department of Justice.

In some cases, the names of several firms may appear with the name of a single individual. This indicates that the individual worked for more than one firm after leaving public office. In these cases, the receipts shown were received by the firm with which the individual was associated only during the period the individual worked with that firm, and only for the time the agent was registered to represent that client. For each agent who worked with multiple firms, the firms are listed in reverse chronological order.

[1] This list includes only those federal officials who left office between the years 1980 and 1990.

[2] Public records do not reveal how much individual foreign agents receive from clients they represent. Figures shown here reflect the amount paid by the client to *the firm* during the period the agent was registered to represent that client.

Appendix A

AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1990)
Appelbaum, Judith	Fed. Trade Comm.	Advisor to Commr.	Reichler, Choate, Appelbaum & Wippman	Republic of Nicaragua	Nicaragua	$ 1,811,672
				United Coconut Assn.	Philippines	149,000
			Powell, Goldstein	Republic of Nicaragua	Nicaragua	474,780
Arky, M. Elizabeth	House of Reps.	Staff, Telecomm. and Finance Subcmte.	Winthrop, Stimson	Norsk Forsvarsteknologi	Norway	33,057
				Kongsberg Vaapenfabrikk	Norway	— na —
Armstrong, Philip	Dept. of Ed.	Dep. Asst. Secy. for Pub. Affairs	Hill & Knowlton	Palm Oil Reg. and Licensing	Malaysia	308,970
				Softbuilt Intl.	Japan	110,317
Bafalis, Louis A.	House of Reps.	Member of Cong.	Evans Group	Republic of Cyprus	Cyprus	158,171
Bailey, Norman A.	White House	Spec. Asst./Pres.	Kaplan, Russin and Vecchi	Govt. of Venezuela	Venezuela	178,049
			KRV Intl.	Presidential Campaign of Fidel Chavez Mena	El Salvador	33,900
			Colby, Bailey	ADICAL	Brazil	60,000
				Latin Amer. Iron & Steel	Chile	11,652
				Monetary Auth./Singapore	Singapore	102,969
				Embassy of Japan	Japan	12,000
				Companhia de Tubarão	Brazil	86,869
				Emb. of Repub. of Korea	South Korea	60,290
Bailey, Pamela G.	White House	Spec. Asst./Pres.	Michael K. Deaver Associates	Royal Emb. of Saudi Arabia	Saudi Arabia	375,000
				Intl. Cult. Soc./Korea	South Korea	357,842
				Daewoo Corporation	South Korea	190,773
				CBI Sugar Group, Inc.	Latin America	300,000
				Min. Comm. and Ind. Devlt.	Mexico	62,500
				Embassy of Canada	Canada	100,290
Bannerman, M. Graeme	U.S. Senate	Staff Director, For. Rels. Cmte.	Bannerman and Associates	Govt. of Bangladesh	Bangladesh	291,605
				Govt. of Tunisia	Tunisia	180,314
				Govt. of Philippines	Philippines	138,383
				Embassy of Lebanon	Lebanon	114,641
				Philipp. Coconut Auth.	Philippines	48,169
				Arab Repub. of Egypt	Egypt	— na —
Bario, Patricia	White House	Dep. Press Secy.	Burson-Marsteller	Saudi Basic Industries	Saudi Arabia	640,122
				Sultanate of Brunei	Brunei	270,969
				Petróleos de Venezuela	Venezuela	41,052
				INTELSAT	Intl.	31,765
				Stern Magazine	W. Germany	33,819
Barnds, William	House of Reps.	Staff Director, Asia/Pacif. Subcmte.	Japan Econ. Inst.	Government of Japan	Japan	— na —
Barnes, Michael	House of Reps.	Member of Cong.	Arent, Fox	Outokumpu Oy	Japan	347,248
				Potash Corp./Saskatch	Canada	583,083
				Intl. Computers	Gr. Britain	2,500
				Toyota Motor Corp.	Japan	— na —
				Urmersberghen GmbH	W. Germany	— na —
				Sony Corporation	Japan	— na —
				Neptune Orient Line	Singapore	— na —
Bayh, Birch E.	U.S. Senate	Senator	Rivkin, Radler	NYK Line	Japan	185,815

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AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1990)
Bayless, James	Dept. of Commerce	Dep. Asst Secy., Cong. Affairs	Akin, Gump	INTELSAT	Intl.	$ 601,440
				Embassy of the PRC	China	171,860
Brall, James A.	House of Reps.	Staff Coord., Ways and Means Cmte.	Ball, Janik & Novack	Fujitsu Microelec.	Japan	48,035
Bello, Judith H.	Dept. of Commerce	Policy Dep./Off. of Dep. Asst. Secy., Import Adm.	O'Melveny & Myers	Assn. Téléph./Télégr. Inds.	France	11,809
Bennett, Alan R.	U.S. Senate	Couns./Govt. Affairs	Kaye, Scholer	Elsevier Sci. Publrs.	Netherlands	699,230
Berger, Samuel R.	Dept. of State	Deputy Director, Policy Planning	Hogan & Hartson	Underwriters at Lloyd's	Gr. Britain	43,990
				Commwlth. of Bahamas	Bahamas	30,608
				Intl. Cmte. Pan. Lines	Intl.	67,176
				Daimler-Benz AG	W. Germany	5,707
				Embassy of Japan	Japan	— na —
				Government of Poland	Poland	— na —
				Cncl. Eur./Jap. Shipowners	Intl.	— na —
Bickwit, Leonard	Nuclear Reg. Cmsn.	Gen. Counsel	Miller & Chevalier	Republic of France	France	89,369
Bircher, John E.	Dept. of State	Dir. Near East/South Asian Affairs	Neill & Co.	Arab Repub. of Egypt	Egypt	738,000
				Government of Kenya	Kenya	707,290
				Kingdom of Morocco	Morocco	600,000
				Kingdom of Jordan	Jordan	440,000
				Islam Repub. of Pakistan	Pakistan	300,000
				Government of Guinea	Guinea	150,000
				Government of Jamaica	Jamaica	75,000
				Government of Liberia	Liberia	— na —
				China Trade Devlt. Cncl.	China	— na —
				Govt. of Côte d'Ivoire	Côte d'Ivoire	— na —
				African Devlt. Bank	Intl.	— na —
				Rossing Uranium Ltd.	Namibia	— na —
				Korea Free Trade Assn.	South Korea	— na —
Bliss, Julia Christine	White House	Asst. Gen. Counsel, Off. of U.S. Trade Rep.	Mudge, Rose	Toshiba Corporation	Japan	11,108,514
				Govt. of Hong Kong	Hong Kong	916,778
				Japan Lumber Importers	Japan	95,195
				Sovcomflot	USSR	— na —
Blum, Barbara	EPA	Deputy Admin.	Direction International	AB Volvo	Sweden	— na —
				TRE Konsulter AB	Sweden	— na —
Bockorny, David	White House	Spec. Asst. to Pres. for Leg. Affairs	Bergner, Boyette and Bockorny	Coord. Cncl., N. Amer. Affairs	Taiwan	153,000
				Republic of Korea	South Korea	30,240
Bode, Denise A.	U.S. Senate	Senate Aide	Gold & Liebengood	Thomson-CSF, Inc.	France	397,840
				Fiat, SpA	Italy	715,398
				Ricoh	Japan	34,945
Bondurant, Amy	U.S. Senate	Couns., Comm. Cmte.	Verner, Liipfert	Matra Aerospace	France	193,838
Bor, Robert M.	House of Reps.	Chf. Couns., Agr. Cmte.	Bishop, Cook	CSR, Ltd.	Australia	180,076
Boyette, Van R.	U.S. Senate	Senate Aide	Bergner, Boyette	China Exter. Trade	Taiwan	— na —

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Appendix A

AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1986–1989)
Brady, Lawrence	Dept. of Commerce	Asst. Secy., Trade Adm.	Hill & Knowlton	N.H. Ball Bearings/Minebea	Japan	$ 990,007
				Airbus Industrie N. Amer.	European Comm.	487,147
				Republic of Turkey	Turkey	1,815,054
				Elec. Indu. Assn./Japan	Japan	311,158
				Korean Airlines	South Korea	398,884
				Seibuline Intl.	Japan	110,317
				NEC Corporation	Japan	698,610
				Republic of Korea	South Korea	833,441
				Brother, Inc.	Japan	81,382
Breglio, Vincent	U.S. Senate	Exec. Dir., Rep. Campaign Cmte.	Susan Davis Intl.	Arab Repub. of Egypt	Egypt	80,000
Brock, William E.	White House	U.S. Trade Rep.	The Brock Group	Bd. Per. Trade/Repub. of China	Taiwan	240,000
				Airbus Industrie N. Amer.	European Comm.	75,000
	Dept. of Labor	Secretary		Panama Trade Devlt. Cmte.	Panama	— na —
Brown, Ronald	U.S. Senate	Senate Aide	Patton, Boggs & Blow	Sultanate of Oman	Oman	— na —
				Duty Free Shoppers, Ltd.	Hong Kong	— na —
				Hampton-Windsor	Zaire	— na —
				Republic of Gabon	Gabon	— na —
				Japan Air Lines	Japan	— na —
				Assoc. de Anunciadores	Continental	— na —
				E. Palacio y Cia	Venezuela	— na —
				Republic of Haiti	Haiti	— na —
Burke, Kelly H.	U.S. Air Force	Lieut. Gen. (Ret.)	Stafford, Duke and Hecker	Sumitomo Corporation	Japan	480,000
				Oerlikon-Buhrle Mach.	Switzerland	45,750

Bushong, David W.	U.S. Senate	Minor. Counsel, Intelligence Cmte.	Gold & Liebengood	Fist. SpA	Italy	408,937
				Beretta USA Corp.	Italy/Belgium	139,658
				Thomson-CSF, Inc.	France	837,503
				Ricoh	Japan	34,794
				BAA, plc	Gr. Britain	47,849
Calhoun, Michael	Intl. Trade Comm.	Commissioner & Vice Chairman	Leask, Washington	Assoc. de Empresas RENFE	Spain	485,782
				Govt. of Antigua/Barbuda	Antigua/Barbuda	888,386
				Henri Sfeir	Lebanon	48,000
			Pixley, Womble	Hanglah Tire Manuf.	South Korea	— na —
				Kor. Musical Instrument Assn.	South Korea	— na —
Cannon, William Stephen	Dept. of Justice	Dep. Asst. Atty. Gen./Antitrust	Wunder, Ryan, Cannon & Thelen	Industrial Equity (Pacific) Ltd.	New Zealand	— na —
Canzeri, Joseph W.	White House	Dep. Asst. Chf. of Staff	Joseph W. Canzeri	New National Party	Grenada	— na —
			Canzeri Company	Curaçao Intl. Trust	Netherlands Antilles	30,037
				Inst. of Financial/Fiscal Studies	Netherlands Antilles	— na —
Cartwright, Sumner	House of Reps.	House Aide	Verner, Liipfert	Counsl. Crain and Berge	Japan	89,308
Carey, Thomas J.	Fed. Commun. Comm.	Dep. Chf./ Common Carrier Bureau	Mintz, Levin	Commun. Ind. Assn./Japan	Japan	705,315

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AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1988)
Cassidy, Robert	White House	Gen. Couns., OE of U.S. Trade Rep.	Wilmer, Cutler and Pickering	Lufthansa AG	W. Germany	$ 7,784,538
				Comm. of Eur. Comm.	European Comm.	466,497
				Govt./Fed. Repub. of Germany	W. Germany	— no —
			Keye, Scholer	Elsevier Sci. Publrs.	Netherlands	646,793
				Comm. of Eur. Comm.	European Comm.	— no —
Castillo, A. Mario	House of Reps.	Agr. Comte. Staff	Arter & Hadden	Union of Agr. Coops./ZENCHU	Japan	605,181
Chapoton, John E.	Dept. of Treasury	Asst. Secy./Tax Policy	Vinson & Elkins	Attys. Liability Assur. Soc.	Bermuda	15,000
				Canadian Banknote Co.	Canada	97,810
				Canadian Security Printers	Canada	— no —
			John E. Chapoton	Parfitex Asset Mgmt.	France	30,670
Church, Frank	U.S. Senate	Senator & Chmn., For. Rel. Comte.	Whitman & Ransom	Japan Ext. Trade Org.	Japan	87,944
				Dawa Steel Tube Indu.	South Korea	8,388
				Govt./Repub. of China	Taiwan	— no —
Chrest, John	House of Reps.	House Aide	Chrest/Weigand	Eduardo M. Cojuangco, Jr.	Philippines	— no —
Cohen, Edward B.	White House	Dep. Spec. Asst./Pres.	Davis Wright Tremaine	American Honda Motor Co.	Japan	31,781
Cohen, Scott	U.S. Senate	Staff Dir., For. Rel. Comte.	Gilbert A. Robinson, Inc.	INTELSAT	Intl.	37,861
Cooper, David S.	White House	Asst. U.S. Trade Rep., Bilateral Affairs	Crowell & Moring International	Bd. For. Trade/Repub. of China	Taiwan	597,813
				Samsung Electronics	South Korea	168,600
				Sing. Trade Devlt. Bd.	Singapore	185,000
				Government of Thailand	Thailand	84,979
				Weather Ethymatic Corp.	Israel	30,388
				UN Conf. on Trade	Intl.	10,000
				Korea For. Trade Assn.	South Korea	78,005
				Mfrs. Assn. of Israel	Israel	1,000
				Industrial R&D Corp.	Israel	— no —
				Ministry of Ind./Trade	Israel	— no —
			Michael E. Deaver Associates	CBI Sugar Group, Inc.	Latin America	300,000
				Government of Canada	Canada	100,000
Copeland, James M., Jr.	White House	Dep. Asst./Pres., Cong. Rel.	McAuliffe, Kelly, Raffaelli & Siemsen	Emb. of Repub. of Turkey	Turkey	— no —
Coplu, William J. III	Dept. of Defense	Atty., OE of Secy./Gen. Couns.	King & Spalding	Agie Holding, AG	Switzerland	— no —
				Elox Corporation	Switzerland	— no —
				Ind. Elektronik Agie	Switzerland	— no —
				Agie USA, Inc.	Switzerland	— no —
Corson, Mark D.	Central Intelligence Agency	Asst. Leg. Couns.	Jefferson Group	Lebanese Indu. & Research Center	Lebanon	— no —
				Mgmt. Planning/Research	Bahrain	— no —
				Stellana Appalti Contrac.	Italy	— no —
	Dept. of Labor	Chf. of Staff to Secy. Ray Donovan	Hill & Knowlton	Republic of Turkey	Turkey	31,905
				Min./For. Affairs, Govt. of Iceland	Iceland	600,000
Cram, M. Victoria	U.S. Congress	Leg. Asst., Dom. Study Grp.	Ball, Janik & Novack	Fujitsu Microelec.	Japan	48,935

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AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] ([illegible])
Culver, John C.	U.S. Senate	Senator	Arent, Fox	Toyota Motor Corp.	Japan	$ [illegible]
				Outokumpu Oy	Japan	[illegible]
				[illegible]	Australia	[illegible]
				[illegible] GmbH	W. Germany	[illegible]
				Lars Krogh & Co.	Norway	[illegible]
				Verein. Edelstahlwerke	W. Germany	37,898
				Patton & Morgan Corp.	Gt. Britain	3,189
Cutler, Lloyd N.	White House	Counsel to Pres.	Wilmer, Cutler and Pickering	Lufthansa AG	W. Germany	[illegible]
				Hapag-Lloyd	W. Germany	[illegible]
				AEG-Kanis Turbinenfabrik	W. Germany	[illegible]
				Comm. of the Eur. Comm.	European Comm.	[illegible]
				Kingdom of Netherlands	Netherlands	[illegible]
				Govt. of Tibet in Exile	Tibet	[illegible]
				Govt./Fed. Repub. of Germany	W. Germany	—na—
Dabaghi, William	Dept. of Transp.	Dir., Cong. Affairs	Arter & Hadden	Union of Agr. Coops./ZENCHU	Japan	[illegible]
Dalley, George A.	Dept. of State	Dep. Asst. Secy., Intl. Affairs	Neill & Co.	Government of Kenya	Kenya	[illegible]
				Arab Repub. of Egypt	Egypt	[illegible]
				Kingdom of Jordan	Jordan	110,000
				Government of Guinea	Guinea	75,000
				Kingdom of Morocco	Morocco	—na—
				Government of Jamaica	Jamaica	—na—
				Govt. of Côte d'Ivoire	Côte d'Ivoire	—na—
				China Trade Devt. Cncl.	China	—na—
				Government of Liberia	Liberia	—na—
				African Devt. Bank	Intl.	—na—
				Rossing Uranium Ltd.	Namibia	—na—
				Korea Free Trade Assn.	South Korea	—na—
Danzig, Richard	Dept. of Defense	Dep. Asst. Secy.	Latham & Watkins	Daewoo Industrial Co.	South Korea	[illegible]
Davis, Mendel J.	House of Reps.	Member of Cong.	Davis, Whitner	Akzo, NV	Netherlands	40,000
Deaver, Michael K.	White House	Asst. to Pres. and Dep. Chf. of Staff	Michael K. Deaver Associates	Intl. Cult. Soc./Korea	South Korea	476,770
				Royal Emb. of Saudi Arabia	Saudi Arabia	375,000
				CBI Sugar Group, Inc.	Latin America	300,000
				Embassy of Canada	Canada	[illegible]
Denvir, James P.	Dept. of Justice	Chf. Atty./Antitrust	Akin, Gump	INTELSAT	Intl.	[illegible]
Denysyk, Bohdan	Dept. of Commerce	Dep. Asst. Secy.	Global USA	Komatsu Corporation	Japan	[illegible]
				Fanuc, Ltd.	Japan	[illegible]
				Hitachi, Ltd.	Japan	[illegible]
				All Nippon Airways	Japan	[illegible]
				[illegible], Ltd.	Japan	741,138
				Japan Aircraft Devt. Co.	Japan	[illegible]
				Kyocera Corporation	Japan	[illegible]
				Repub. of Bophuthatswana	Bophuthatswana	[illegible]
				Voest-Alpine	Austria	—na—
				Intl. Corp. and Devt.	Austria	—na—
Diefenderfer, William	U.S. Senate	Chf. of Staff, Finance Cmte.	Wunder, Ryan, Cannon & Thelen	Ad Hoc Insur. Group	Bermuda	[illegible]
Dolan, Michael W.	Dept. of Justice	Dep. Asst. Atty. Gen., Off. of Leg. Affairs	Winthrop, Stimson	Ironmasters' Assn.	Sweden	[illegible]
				Uddeholms AB	Sweden	[illegible]

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AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1990)
Donnelly, Thomas R., Jr.	White House	Spec. Asst./Pres., Legislation	Pagonis & Donnelly	Stelco/Dofasco/Algoma Steel Corp.	Canada	$ 93,028
				Govt./Repub. of Trinidad	Trinidad	72,684
Dowley, Joseph K.	House of Reps.	Chf. Couns., Ways and Means Cmte.	Dewey, Ballantine	Emb. of Repub. of Turkey	Turkey	109,676
Downen, Robert L.	Dept. of State	Dir. of Spec. Proj., E. Asia/Pacif. Affairs	Neill & Co.	Government of Kenya	Kenya	235,960
				Arab Repub. of Egypt	Egypt	189,000
				Kingdom of Jordan	Jordan	110,000
				Government of Guinea	Guinea	75,000
				Kingdom of Morocco	Morocco	— na —
				Government of Jamaica	Jamaica	— na —
				Govt. of Côte d'Ivoire	Côte d'Ivoire	— na —
				China Trade Devlt. Cncl.	China	— na —
				African Devlt. Bank	Intl.	— na —
				Rossing Uranium Ltd.	Namibia	— na —
				Korea Free Trade Assn.	South Korea	— na —
Durant, Andrew C.	House of Reps.	Press Secy., Rep. Coleman	Hill & Knowlton	Ferruzzi Finanziaria	Italy	783,375
				Asia Sat. Telecomm.	Hong Kong	— na —
Eizenstat, Stuart	White House	Asst. to Pres./Domestic Policy	Powell, Goldstein	Hitachi, Ltd.	Japan	1,081,494
				INTELSAT	Intl.	906,791
				Soc. Gén. de Surveillance	Switzerland	171,585
				Embassy of Morocco	Morocco	9,101
				Repub. of Nicaragua	Nicaragua	5,488
Elliott, Richard	Dept. of State	Atty./Advisor	Paul, Weiss	NEC Corp./NEC America	Japan	4,648,701
				Korea Fed. of Textile Ind.	South Korea	614,492
				Korea Iron and Steel Assn.	South Korea	37,848
Erb, Guy Felix	Agency for Intl. Devlt.	Deputy Dir.	CFE, Ltd.	Cemento/Anahuac Intl.	Mexico	27,188
				DESC Comercio Exterior	Mexico	47,894
				Direcspicer, SC	Mexico	— na —
Evans, Billy Lee	House of Reps.	Member of Cong.	Hecht, Spencer and Associates	Hong Kong Trade Devlt. Cncl.	Hong Kong	1,684,387
				Govt./Repub. of Panama	Panama	309,647
				Freedom and Justice/Cyprus	Cyprus	115,000
Evans, Thomas B.	House of Reps.	Member of Cong.	Evans Group	Republic of Cyprus	Cyprus	158,171
				Fed. Repub. of Nigeria	Nigeria	128,436
				Former President Majluta	Dominican Republic	20,000
				Republic of China	Taiwan	— na —
			Manatt, Phelps	Republic of Cyprus	Cyprus	813,355
				NEC Corporation	Japan	208,822
				Government of Jamaica	Jamaica	189,000
			O'Connor & Hannan	U.K. Mutual Assn.	Bermuda	— na —
				CKLW Radio Broadcasting	Canada	— na —
				W. Eng. Shipowners Mutual	Gr. Britain	— na —
				Government of Jamaica	Jamaica	— na —
Fairbanks, Richard M. III	Dept. of State	Asst. Secy.; Spec. Negotr., MidEast Peace Process; and Amb.-at-Large	Paul, Hastings	Koito Manufacturing	Japan	188,080
				Embassy of Iraq	Iraq	234,885
				Fujitsu Microelec.	Japan	68,479

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AGENT	GOVERNMENT AGENCY	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM (1980–1985)
Farrell, J. Michael	Dept. of Energy	Gen. Counsel	Global USA	Komatsu, Ltd.	Japan	$ 313,500
				Fanuc, Ltd.	Japan	300,000
				Mazak Corporation	Japan	200,000
				Kyocera Corporation	Japan	200,000
				Repub. of Bophuthatswana	Bophuthatswana	187,490
				All Nippon Airways	Japan	100,000
				Japan Aircraft Devlt. Co.	Japan	87,500
Fein, Bruce	Fed. Commun. Comm.	Gen. Counsel	Hill & Knowlton	Republic of Turkey	Turkey	730,000
				Liberal Democratic Party	Japan	648,000
				Kingdom of Morocco	Morocco	297,805
				Govt. of Cayman Islands	Cayman Islands	158,114
				Government of Angola	Angola	80,000
				Korean Airlines	South Korea	78,903
				Côte d'Azur Develt.	France	11,889
				N. H. Ball Bearings/Minebea	Japan	— no —
Frith, Douglas J.	Dept. of Defense	Dep. Asst. Secy./Negotns. Policy	International Advisers, Inc.	Emb. of Repub. of Turkey	Turkey	875,000
Feldman, Mark B.	Dept. of State	Legal Adviser	International Advisers, Inc.	Emb. of Repub. of Turkey	Turkey	875,000
Ferris, Charles	Fed. Commun. Comm.	Chairman	Mintz, Levin	Commun. Ind. Assn./Japan	Japan	705,315
Fiefek, Henrietta	U.S. Senate	Senate Aide	McAuliffe, Kelly	Emb. of Repub. of Turkey	Turkey	— no —
			Heron, Burchette	CBI Sugar Group, Inc.	Latin America	995,133
				NovAtel Communications	Canada	243,256
				Thai Steel Pipe Assn.	Thailand	116,981
				St. Lawrence Cement	Canada	46,894
				AgroQuimicos de Guatemala	Guatemala	30,715
				Intl. Maritime Satellite	Intl.	20,000
				Yamaichi Securities	Japan	10,000
				Canada Cement Lafarge	Canada	15,819
				Inland Cement	Canada	13,495
				St. Mary's Cement	Canada	3,850
				Asia Satellite Telecomm.	Hong Kong	5,858
				Daiwa Securities	Japan	2,348
Finley, Michael	House of Reps.	Staff Dir., Intl. Oper. Subcomm.	Hemisphere Assoc.	Embassy of El Salvador	El Salvador	13,300
				C.R. Assn. Bus./Entrep.	Costa Rica	— no —
Fortune, Terrence	Dept. of State	Asst. Legal Adviser	Paul, Weiss	NEC Corp./NEC America	Japan	4,646,701
				Consol. Gold Fields	Gr. Britain	3,484,876
				Korea Fed. Textile Ind.	South Korea	814,983
				Repub. of Botswana	Botswana	31,314
				Korea Iron and Steel Assn.	South Korea	27,868
				Hyundai Heavy Ind.	South Korea	1,281
Fox, J. Edward	Dept. of State	Asst. Secy./Leg. Affairs	Mintz, Levin	Commun. Ind. Assn./Japan	Japan	80,000
Frank, Richard A.	Natl. Oceanic & Atmospheric Agency	Administrator	Richard A. Frank Law Offices	Japan Fisheries Assn.	Japan	82,885

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AGENT[1]	GOVERNMENT BOARDED	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1990)
Frank, Richard A. (cont'd)	Natl. Oceanic & Atmospheric Agency	Administrator	Ginsburg, Feldman and Bress	Kingdom of Morocco	Morocco	$ 250,000
			Wald, Harkrader	Japan Fisheries Assn.	Japan	216,719
Freedman, Matthew	Dept. of State	Spec. Asst., Program and Policy Coord.	Black, Manafort	Govt. of St. Lucia	St. Lucia	— 0 —
				Govt. of Barbados	Barbados	— 0 —
				Govt. of Dominican Republic	Dominican Republic	— 0 —
Freiberg, Ronna	White House	Cong. Liaison	Hill & Knowlton	Republic of Turkey	Turkey	3,207,800
				Côte d'Azur Devlt.	France	87,004
				Kingdom of Morocco	Morocco	297,605
				Government of Angola	Angola	20,000
				Govt. of Cayman Islands	Cayman Islands	204,230
				Palm Oil Reg. and Licensing	Malaysia	450,858
				Airbus Industrie N. Amer.	European Comm.	850,344
				Assn. Advmt. Human Rights	Japan	60,000
				Hambros/Sharps, Pixley	Gr. Britain	— 0 —
Furman, Harold W.	Dept. of Interior	Dep. Asst. Secy.	Heron, Burchette	Assoc. Export de Flores	Colombia	1,031,356
				St. Lawrence Cement	Canada	1,000,304
				CBI Sugar Group, Inc.	Latin America	433,050
				Canstar Cement	Canada	78,897
				Japan Tobacco	Japan	101,616
				Mitsubishi Electric	Japan	109,824
				Lake Ontario Cement	Canada	74,048
				Canada Cement Lafarge	Canada	162,599
				St. Mary's Cement	Canada	48,280
				Assn. Advmt. Human Rights	Japan	14,000
				RSV Mining Equipment	Netherlands	10,364
				All Nippon Airways	Japan	9,554
Gibbons, Clifford	White House	Spec. Asst. to U.S. Trade Rep.	Hogan & Hartson	Commwlth. of Bahamas	Bahamas	844,411
				Government of Ontario	Canada	471,300
				Underwriters at Lloyd's	Gr. Britain	491,950
				Assicurazioni	Italy	808,309
				Embassy of Japan	Japan	181,765
				Intl. Cmtn. Pass. Lines	Intl.	178,161
				Coal. Eur./Jap. Shipowners	Intl.	3,914
Gifford, Dawn	U.S. Senate	Senate Aide	Swidler & Berlin	Hyundai Motor Co.	South Korea	353,765
Gold, Martin B.	U.S. Senate	Senate Aide	Gold & Liebengood	Intl. Gold Corp.	South Africa	51,189
				Fiat, SpA	Italy	788,933
				Ricoh	Japan	— 0 —
Gold, Peter F.	U.S. Senate	Senate Aide	Winthrop, Stimson	Kongsberg Vaapenfabrikk	Norway	7,643
			Wolfford, Wegman	Embassy of Canada	Canada	497,149
Goldfield, H. F.	Dept. of Commerce	Asst. Secy./ Trade Devlt.	Swidler & Berlin	Hyundai Motor Co.	South Korea	353,765
Gould, Rebecca	House of Reps.	Assoc. Minor. Couns., Energy and Comm. Cmte.	Verner, Liipfert	Consul. Grain and Barge	Japan	89,308
				Matra Aerospace	France	993,858
Grimo, Michael	House of Reps.	House Aide	Pagnotta & Donnelly	Govt./Repub. of Transkei	Transkei	70,284

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Appendix A

AGENT[1]	GOVERNMENT SERVICE	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1990)
Harder, David W.	U.S. Senate	Minor. Tax Couns., Finance Cmte	Akin, Gump	Fujitsu, Ltd.	Japan	$ 977,875
				Hoylake Investments	Bermuda	417,680
				Fujitsu America	Japan	142,388
				Grand Metropolitan PLC	Gr. Britain	96,178
				Bank of Nova Scotia	Canada	89,827
				Fujitsu Microelec.	Japan	78,963
				Salgad International	Israel	13,885
				Plessey Co. PLC	Gr. Britain	— na —
				Tate & Lyle PLC	Gr. Britain	— na —
Hathaway, Michael	U.S. Senate	Staff Dir., Energy and Nat. Resources Cmte.	United Intl Consultants	Embassy of S. Africa	South Africa	1,898,878
Hawkins, Edward	U.S. Senate	Chf. Tax Couns., Finance Cmte.	Squire, Sanders and Dempsey	Embassy of Belgium	Belgium	38,951
Heiman, Bruce	U.S. Senate	Senate Aide	Preston, Thorgrimson	Inst. Lat. del Fierro/Acero	Chile	— na —
Helmke, Mark	U.S. Senate	Senate Aide	Robinson, Lake, Lerer & Montgomery	Hoylake Investments	Bermuda	430,418
				Friends/Democ. in Pakistan	Pakistan	121,000
				Islam Dem. Alliance	Pakistan	16,900
Hessler, Curtis	Dept. of Treasury	Asst. Secy./Economics	Paul, Weiss	Nippon Electric Co.	Japan	145,845
Hildenbrand, William	U.S. Senate	Secy. of Senate	Gold & Liebengood	Fiat, SpA	Italy	788,233
				Intl. Gold Corp.	South Africa	51,189
Hirschhorn, Eric	Dept. of Commerce	Dep. Asst. Secy./Export Adm.	Bishop, Cook	CSR, Ltd.	Australia	298,019
				BAT Industries	Gr. Britain	55,287
				Volvo Car, BV	Netherlands	38,811
				Patson PTY, Ltd.	Australia	4,004
				Prof. Alfred Zahe	E. Germany	4,009
Horlick, Gary	Dept. of Commerce	Dep. Asst. Secy./Import Adm.	O'Melveny & Myers	CRA, Ltd.	Australia	150,235
				Government of Canada	Canada	480,602
				Broken Hill Proprietary	Australia	338,534
				Pertoco Pizzamiglio	Italy	129,979
				Brewers Assn. of Canada	Canada	78,161
				Eur. Chem. Ind. Fed.	Intl.	40,878
				German Chem. Ind. Assn.	W. Germany	19,970
				Assn. Téléph./Télégr. Inds.	France	11,908
				Nippon Steel	Japan	— na —
Huddleston, Walter	U.S. Senate	Senator	Hill & Knowlton	Republic of Turkey	Turkey	— na —
Hymel, Gary	House of Reps.	House Aide	Hill & Knowlton	Natl. Devlt. Info. Off.	Indonesia	3,255,400
				Côte d'Azur Devlt.	France	27,204
				Republic of Korea	South Korea	233,441
				Hyundai Motor America	South Korea	283,479
				Soc. Gén. de Surveillance	Switzerland	200,172
				Palm Oil Reg. and Licensing	Malaysia	490,838
				Govt. of Cayman Islands	Cayman Islands	204,230
				Airbus Industrie N. Amer.	European Comm.	551,519
				Nintendo of America	Japan	490,773
				Sanwa Bank, Ltd.	Japan	375,054
				Marubeni America Corp.	Japan	136,798
				Assn. Advmt. Human Rights	Japan	60,000
				Korean Airlines	South Korea	294,802

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AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980-1990)
Hymel, Gary (cont'd)	House of Reps.	House Aide	Hill & Knowlton	Government of Angola	Angola	$ [illegible]
				Martin Baker Aircraft	Gr. Britain	— na —
				Kuwait Petrol/Santa Fe	Kuwait	— na —
				Embassy of Venezuela	Venezuela	— na —
				Prince Talal	Saudi Arabia	— na —
				Republic of Turkey	Turkey	— na —
				INTELSAT	Intl.	— na —
				Portals, Inc.	Gr. Britain	— na —
				Salen Dry Cargo	Sweden	— na —
				Liberal Democratic Party	Japan	— na —
Janka, Leslie A.	White House	Spec. Asst./Pres. and Dep. Press Secy.	Neill & Co.	Kingdom of Morocco	Morocco	1,290,000
				Kingdom of Jordan	Jordan	1,200,000
				Arab Repub. of Egypt	Egypt	1,800,483
				Islam Repub. of Pakistan	Pakistan	980,000
				Government of Kenya	Kenya	531,708
				Government of Gabon	Gabon	187,500
				Government of Guinea	Guinea	75,000
				Govt./Dem. Repub. of Sudan	Sudan	60,000
				Govt. of El Salvador	El Salvador	5,000
				INTELSAT	Intl.	— na —
				Government of Jamaica	Jamaica	— na —
Jarvis, Patricia	Dept. of Health and Human Svcs.	Spec. Asst., Off. of Legis.	Gold & Liebengood	Beretta USA Corp.	Italy/Belgium	139,838
				Fiat, SpA	Italy	408,837
				Thomson-CSF, Inc.	France	679,330
				Ricoh	Japan	34,794
Jennings, Horace	U.S. Senate	Senate Aide	Neill & Co.	Kingdom of Morocco	Morocco	— na —
				Government of Kenya	Kenya	— na —
				Government of Guinea	Guinea	— na —
				Government of Jamaica	Jamaica	— na —
				Govt. of Côte d'Ivoire	Côte d'Ivoire	— na —
				China Trade Devt. Cntl.	China	— na —
				African Devt. Bank	Intl.	— na —
				Rossing Uranium Ltd.	Namibia	— na —
				Korea For. Trade Assn.	South Korea	— na —
				Kingdom of Jordan	Jordan	— na —
Jollie, Susan B.	Civ. Aero. Bd.	Assoc. Gen. Couns., Antitrust and Litigation	Galland, Kharasch	Air Jamaica	Jamaica	405,887
				Orient Airlines Assn.	Philippines	130,583
				Wallenius Lines	Sweden	102,821
				H.K. Aircraft Engineering	Hong Kong	31,721
				Israel Aircraft Ind.	Israel	27,218
				Soule, SA	France	8,990
			SMC International	All Nippon Airways	Japan	38,889
Jones, James R.	House of Reps.	Member of Cong.	Dickstein, Shapiro & Morin	Toshiba Corporation	Japan	158,575
Kabel, Robert J.	White House	Spec. Asst. to Pres. for Leg. Affairs	Manatt, Phelps	Republic of Cyprus	Cyprus	574,465
				NEC Corporation	Japan	479,444
Kamm, Linda Heller	Dept. of Transp.	Gen. Counsel	Foley & Lardner	Holland Sweetener Co.	Netherlands	— na —
Kassinger, Theodore W.	U.S. Senate	Intl. Trade Couns., Finance Cmte.	Vinson & Elkins	Vitro, SA	Mexico	2,201,443
			Theodore Kassinger	Belg. Endive Mktg. Bd.	Belgium	8,143

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AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] ([illegible])
Kirschenbaum, Bruce	White House	Dep. Spec. Asst. to Pres. for Intergovt. Affairs	Strauch & Strauch	Chemolimpex For. Trade/Chinoin Pharm. and Chem.	Hungary	$ 32,080
				Bank Hapoalim	Israel	— no —
Kopp, George B	House of Reps.	Chf. Couns., Subcmte. on Nat. Resources	Global USA	Hitachi, Ltd.	Japan	458,014
				All Nippon Airways	Japan	192,708
				Fanuc, Ltd.	Japan	198,589
				Hyundai Motor America	South Korea	190,000
				Jap. Fed. Constr. Contr.	Japan	205,818
				Japan Aircraft Devlt. Co.	Japan	253,807
				Komatsu Corp.	Japan	387,488
				Kyocera Corp.	Japan	206,384
				Murata, Ltd.	Japan	178,834
Karmen, Michael	Dept. of Interior	Spec. Asst. to Solicitor	Arent, Fox	Outokumpu Oy	Japan	941,386
				Toyota Motor Corp.	Japan	1,103,080
				Sitmar Cruises	Australia	209,108
				Unternehmungen GmbH	W. Germany	89,110
				Verein. Edelstahlwerke	W. Germany	38,035
				Lars Krogh & Co.	Norway	48,033
				Patton & Morgan Corp.	Gr. Britain	3,189
				Nova Scotia Resources	Canada	— no —
Lachter, Stephen	Dept. of Transp.	Spec. Aviation Counsel	Patton, Boggs & Blow	Govt./Sultanate of Oman	Oman	709,833
				Duty Free Shoppers, Ltd.	Hong Kong	311,805
				Nakajima All Co.	Japan	408,807
				Government of Iceland	Iceland	177,207
				Fiat Cantieri Italiani	Italy	81,873
				Beckett Packaging	Canada	38,485
				Minerals Marketing Corp.	Zimbabwe	17,038
				Fundac./Del. Comercio Ext.	Costa Rica	14,890
				Govt./Repub. of Marshall Isl.	Marshall Isl.	9,038
				Bettini e Grandi, SpA	Italy	1,134
				E. Palacio y Cia	Venezuela	— no —
				Unitary Tax Campaign	Gr. Britain	— no —
				Government of Spain	Spain	— no —
Lande, Stephen	White House	Asst. U.S. Trade Rep.	Manchester Trade	Korea For. Trade Assn.	South Korea	98,808
				Sidermex International	Mexico	43,408
				Hylsa	Mexico	29,807
				Tubos de Acero de Mex.	Mexico	18,559
				Assoc. de Export/Textiles	Costa Rica	10,348
				Wirestand	Mexico	5,795
				Mexinox SA de CV	Mexico	— no —
			Manchester Assoc.	Korean Traders Assn.	South Korea	95,930
				Inst. de Comercio Ext.	Mexico	41,854
				Natl. Invest. Coal./Panama	Panama	38,408
				Tubos de Acero de Mex.	Mexico	20,179
				Sidermex International	Mexico	18,163
				Embassy of Israel	Israel	18,407
				Kitan Consolidated	Israel	15,000
				Hylsa	Mexico	14,800
				Barbados Export Prom.	Barbados	2,177
				Camesa	Mexico	2,500
Laxalt, Paul	U.S. Senate	Senator	Laxalt, Washington	Assoc. de Empresas RENFE	Spain	485,793
				Govt. of Antigua/Barbuda	Antigua/Barbuda	808,388
				Henri Sfeir	Lebanon	45,000
Lazarus, Simon	White House	Assoc. Dir., U.S. Domestic Policy	Powell, Goldstein	INTELSAT	Intl.	308,791
				Soc. Gén. de Surveillance	Switzerland	171,805

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AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1990)
Lehman, Bruce A.	U.S. Senate	Comm., Jud. Cmte.	Swidler & Berlin	Hyundai Motor Co.	South Korea	$ 353,784
				China Trade Devlt. Cncl.	Taiwan	38,000
				Government of Bermuda	Bermuda	— do —
Lenahan, Walter	Dept. of Commerce	Dep. Asst. Secy. for Textiles/ Apparel	Madge, Rose	Asoc. Nacl. Industriales	Colombia	30,600
				China Textile Imp./Exp.	China	— do —
				Hong Kong Trade Dept	Hong Kong	— do —
				Sovcomflot	USSR	— do —
Levine, Kenneth	Fed. Energy Reg. Comm.	Dir., Cong. Affairs	Wunder, Ryan, Cannon & Thelen	Ad Hoc Insur. Group	Bermuda	— do —
				Government of Bermuda	Bermuda	— do —
Libby, I. Lewis	Dept. of State	Dir. Spec. Proj., Bur. of E. Asia	Dickstein, Shapiro & Morin	Embassy of Malaysia	Malaysia	987,131
				Falconbridge	Cr. Britain	140,886
Liebengood, Howard S.	U.S. Senate	Sergeant at Arms	Gold & Liebengood	Fist. SpA	Italy	788,933
				Thomson-CSF, Inc.	France	307,840
				Beretta USA Corp.	Italy	157,834
				Intl. Gold Corp.	South Africa	51,189
				BAA, plc	Cr. Britain	47,809
				Ricoh	Japan	34,794
Lighthizer, Robert	White House	Dep. U.S. Trade Representative	Shaddox, Arps	Hoylake Investments	Bermuda	2,480,013
				British Airports Auth.	Cr. Britain	833,307
				Government of Jamaica	Jamaica	86,849
				Min. Ind. and Comm./Sugar and Alc.	Brazil	44,300
Lipsky, Abbott B.	Dept. of Justice	Dep. Asst. Atty. Gen./Antitrust	King & Spalding	Agie Holding AG	Switzerland	— do —
				Elan Corporation	Switzerland	— do —
				Ind. Elektronik Agie	Switzerland	— do —
				Agie USA, Ltd.	Switzerland	— do —
Long, C. Thomas	Fed. Home Loan Bank Board	Dep. Gen. Counsel	Jones, Day, Reavis & Pogue	Morgan Grenfell & Co.	Cr. Britain	1,814,481
				Heron International	Cr. Britain	988,400
				Kanku USA	Japan	140,074
				Embassy of the PRC	China	115,000
				Govt. of Costa Rica	Costa Rica	— do —
				London Chamb. Comm./Ind.	Cr. Britain	— do —
MacDonald, David	White House	Dep. U.S. Trade Representative	Tenley-MacDonald	Govt./Repub. of Seychelles	Seychelles	90,000
			Baker & McKenzie	Textile/Garment Mfrs.	Uruguay	— do —
Manatos, Andrew	Dept. of Commerce	Asst. Secy./ Cong. Affairs	Manatos & Manatos	Embassy of Japan	Japan	38,000
				Government of Greece	Greece	308,048
Marcus, Stanley	Dept. of Commerce	Asst. Secy./Ind. and Trade	Milbank, Tweed	People's Repub. of China	China	35,000
Martin, Guy R.	Dept. of Interior	Asst. Secy./Land and Water	Perkins, Coie	Krupp Atlas Elektronik	W. Germany	— do —
Massey, Donald F.	U.S. Senate	Dep. Sgt. at Arms	Hill & Knowlton	Republic of Turkey	Turkey	3,807,800
				Natl. Devlt. Info. Office	Indonesia	2,005,400
				Hitachi, Ltd.	Japan	1,254,813
				Kingdom of Morocco	Morocco	821,984
				Airbus Industrie N. Amer.	European Comm.	467,147
				Republic of Korea	South Korea	833,441
				Hyundai Motor America	South Korea	435,081
				Soc. Gén. de Surveillance	Switzerland	200,170

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Appendix A

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AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980-1990)
Massey, Donald F. (cont'd)	U.S. Senate	Dep. Sgt. at Arms	Hill & Knowlton	Palm Oil Reg. and Licensing	Malaysia	$ 490,898
				Govt. of Cayman Islands	Cayman Islands	204,130
				Mazda Motor Corp.	Japan	904,794
				Nintendo of America	Japan	490,773
				N.H. Ball Bearings/Minebea	Japan	165,152
				Marubeni America Corp.	Japan	138,798
				Assn. Advmt. Human Rights	Japan	80,000
				Asbestos Institute	Canada	76,801
				Martin Baker Aircraft	Gr. Britain	18,497
				Côte d'Azur Devlt.	France	97,204
				Liberal Democratic Party	Japan	— no —
				Adnan Khashoggi	Saudi Arabia	— no —
Mathias, Charles	U.S. Senate	Senator	Jones, Day, Reavis & Pogue	Embassy of the PRC	China	127,845
McElheny, Richard L.	Dept. of Commerce	Asst. Secy. for Trade Devlt.	The Brock Group	Airbus Industrie N. Amer.	Switzerland	75,000
			Hill & Knowlton	Kingdom of Morocco	Morocco	801,960
				Republic of Korea	South Korea	933,441
				Brother, Inc.	Japan	73,008
				Elec. Inds. Assn./Japan	Japan	810,813
				Govt. of Cayman Islands	Cayman Islands	380,344
				Korean Airlines	South Korea	358,884
				Airbus Industrie N. Amer.	European Comm.	404,842
				Daewoo Electronics Corp.	South Korea	32,500
				Liberal Democratic Party	Japan	248,000
				Hyundai Motor America	South Korea	435,081
				Hitachi, Ltd.	Japan	612,009
				Can. Asbestos Info. Ctr.	Canada	60,150
				Côte d'Azur Devlt.	France	97,204
				Elec. Inds. Assn./Korea	South Korea	276,960
				Souda, SA	France	41,580
				Soc. Gén. de Surveillance	Switzerland	220,672
				Bur. National du Cognac	France	845,804
				Yucatán Dept. Econ./Devlt.	Mexico	200,830
				Iceland Min. For. Affairs	Iceland	45,805
				NEC Corporation	Japan	510,212
				Palm Oil Reg. and Licensing	Malaysia	417,808
				Nihon Kotsu Bunka Kyokai	Japan	241,370
				Marubeni America Corp.	Japan	116,380
				Seibulite Intl.	Japan	44,188
				Asoc. Nat. Papel/Celulose	Brazil	— no —
				Makita USA	Japan	— no —
				Asoc. Export de Flores	Colombia	— no —
McGovern, John J.	Secur. and Exch. Comm.	Asst. to Chmn.	Wunder, Ryan, Cannon & Thelen	Aermacchi	Italy	347,208
				Airship Industries	Gr. Britain	117,000
				Mirabella	Italy	30,680
				Intermarine SpA	Italy	17,300
			Akin, Gump	Airship Industries	Gr. Britain	27,888
Mentz, J. Roger	Dept. of Treasury	Asst. Secy./Tax Policy	Cadwalader, Wickersham & Taft	Mercedes-Benz	W. Germany	— no —
Moffett, A. Toby	House of Reps.	Member of Cong.	A. Toby Moffett	Government of Lebanon	Lebanon	25,000

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Appendix A

AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1986–1990)
Morgan, Lance Ian	U.S. Senate	Press Secy./ Select Cmte., Secret Mil. Asst. for Iran and Nicaraguan Opposition	Robinson, Lake, Lerer & Montgomery	Heylake Investments	Bermuda	$ 430,412
				Japan Auto Pts. Inds. Assn.	Japan	173,367
				Friends/Demos. in Pakistan	Pakistan	261,000
				Islam Dem. Alliance	Pakistan	16,500
				Kanematsu Elec. Metals	Japan	21,000
Morris, William	U.S. Senate	Gen. Counsel, Finance Cmte.	Rogers & Wells	Paribas Corporation	France	585,441
Morris, William H., Jr.	Dept. of Commerce	Asst. Secy./ Trade	Global USA	Fanuc, Ltd.	Japan	864,423
				All Nippon Airways	Japan	758,990
				Hitachi, Ltd.	Japan	938,183
				Japan Aircraft Devlt. Co.	Japan	697,093
				Komatsu Corporation	Japan	932,986
				Kyocera Corporation	Japan	600,503
				Murata, Ltd.	Japan	744,135
				Repub. of Bophuthatswana	Bophuthatswana	112,500
				Voest-Alpine	Austria	137,684
				Samsung Semiconductor	South Korea	976,592
				Hyundai Motor America	South Korea	308,350
				Murata Machinery	Japan	— na —
				Korea For. Trade Assn.	South Korea	— na —
				Ind. Coop. and Devlt.	Austria	— na —
Meyer, Homer E.	Dept. of Commerce	Gen. Counsel	Miller & Chevalier	Government of Canada	Canada	308,099
				Republic of France	France	89,369
Murdock, J. E. III	Fed. Aviation Adm.	Chief Counsel	Heron, Burchette	St. Lawrence Cement	Canada	830,195
				Asoc. Export de Flores	Colombia	864,720
				CBI Sugar Group, Inc.	Latin America	308,150
				AgroQuimicas de Guatemala	Guatemala	115,376
				Canada Cement Lafarge	Canada	127,890
				Intl. Maritime Satellite	Intl.	58,296
				St. Mary's Cement	Canada	21,076
				Genstar Cement	Canada	36,485
				BSV Mining Equipment	Netherlands	— na —
				Assn. Advmt. Human Rights	Japan	— na —
Murphy, Daniel J.	U.S. Navy	Admiral (Ret.); Chf. of Staff Vice Pres. George Bush	Murphy & Demory	Korea Tacoma Marine	South Korea	120,718
				Government of Haiti	Haiti	84,000
				PCL, Inc.	Canada	99,211
				PACO Enterprises	Japan	50,000
				Pou Holdings	Taiwan	— na —
			Hill & Knowlton	Republic of Turkey	Turkey	2,208,988
				Government of Haiti	Haiti	790,090
				Republic of Korea	Korea	833,441
				Kingdom of Morocco	Morocco	821,964
				Airbus Industrie N. Amer.	European Comm.	207,803
				Elec. Inds. Assn./Japan	Japan	477,094
				Govt. of Cayman Islands	Cayman Islands	380,344
				Martin Baker Aircraft	Gr. Britain	18,407
				Korean Airlines	South Korea	398,884
				Brother, Inc.	Japan	71,488
				Côte d'Azur Devlt.	France	38,892
				Liberal Democratic Party	Japan	248,000
				Daewoo Electronics Corp.	South Korea	32,500
				Hyundai Motor America	South Korea	435,681
				Government of Angola	Angola	20,000
				Can. Asbestos Info. Ctr.	Canada	80,130
				Hitachi, Ltd.	Japan	388,834

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[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Murphy, Daniel J. [illegible]	U.S. Navy	Admiral Ret.; Chf. of Staff Vice Pres. George Bush	[illegible]	Soc. Gen. de Surveillance	Switzerland	$ [illegible]
				[illegible]	France	[illegible]
				[illegible]	South Korea	[illegible]
				[illegible]	[illegible]	[illegible]
				[illegible]	France	[illegible]
				City of [illegible]	W. Germany	[illegible]
				Baden-Württemberg [illegible]	W. Germany	[illegible]
				German Natl. Tourist Off.	W. Germany	[illegible]
				[illegible]	Colombia	[illegible]
				Government of Canada	Canada	[illegible]
				Embassy of Japan	Japan	[illegible]
				Royal Emb. of Saudi Arabia	Saudi Arabia	[illegible]
Muskie, Edmund S.	Dept. of State	Secretary	Chadbourne & Parke	[illegible] Life Insur.	Canada	[illegible]
				Amalgamated Metal Corp.	Gr. Britain	[illegible]
[illegible], Matthew	Dept. of State	Under Secy. for Secur. Assist.	Paul, Weiss	NEC Corp./NEC America	Japan	[illegible]
				Korea Fed. Textile Ind.	South Korea	[illegible]
				Korea Iron and Steel Assn.	South Korea	[illegible]
O'Connell, J. Michael	Dept. of Commerce	Sr. Policy Analyst, Intl. Trade Adm.	Collier, Shannon & Scott	Petroleos de Venezuela	Venezuela	[illegible]
				[illegible] AG	W. Germany	[illegible]
				Petrojam, Ltd.	Jamaica	[illegible]
[illegible], M. B.	White House	Dir., Off. of Cong. Affairs	[illegible], Spencer and Associates	H.K. Trade Devt. Cncl.	Hong Kong	[illegible]
				Govt./Repub. of Panama	Panama	[illegible]
				Freedom and Justice/Cyprus	Cyprus	[illegible]
[illegible], Lionel	Dept. of Commerce	Under Secy. for Intl. Trade Adm.	Paul, Weiss	NEC Corp./NEC America	Japan	[illegible]
				Government of Poland	Poland	[illegible]
Perry, William	White House	Dir., Latin Amer. Affairs/ Natl. Secur. Cncl.	Neill & Co.	Kingdom of Morocco	Morocco	[illegible]
				Government of Kenya	Kenya	[illegible]
				Islam. Repub. of Pakistan	Pakistan	[illegible]
				Arab Repub. of Egypt	Egypt	[illegible]
				Government of Gabon	Gabon	[illegible]
[illegible], [illegible]	House of Reps.	Staff, For. Affairs Cmte.	[illegible] and Associates	Government of Tunisia	Tunisia	[illegible]
[illegible], Richard	Dept. of Commerce	Dep. Asst. Secy./Trade Adm.	[illegible] & [illegible]	Hyundai Motor Co.	South Korea	[illegible]
[illegible], Albert C.	Agency for Intl. Devt.	[illegible]	Neill & Co.	Arab Repub. of Egypt	Egypt	[illegible]
				Kingdom of Jordan	Jordan	[illegible]
				Government of Gabon	Gabon	[illegible]
				Islam. Repub. of Pakistan	Pakistan	[illegible]
				Government of Kenya	Kenya	[illegible]
				Kingdom of Morocco	Morocco	[illegible]
				Government of [illegible]	[illegible]	[illegible]
				Government of Jamaica	Jamaica	[illegible]
				Korea For. Trade Assn.	South Korea	[illegible]
				[illegible] Uranium Ltd.	Namibia	[illegible]
				African Devt. Bank	Intl.	[illegible]
				China Trade Devt. Cncl.	China	[illegible]
				Govt. of Côte d'Ivoire	Côte d'Ivoire	[illegible]
Pratt, Steven L.	House of Reps.	[illegible] Dir., [illegible] Budget Cmte.	[illegible]	[illegible] Sugar Group, Inc.	Latin America	[illegible]
				[illegible] Communications	Canada	[illegible]
				Thai Steel Pipe Assn.	Thailand	[illegible]
				AgroQuimicos de Guatemala	Guatemala	[illegible]
				Canada Cement Lafarge	Canada	[illegible]
				Intl. Maritime Satellite	Intl.	[illegible]

[1] This list includes only those federal officials who left office between the years [illegible] and [illegible].
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Appendix A

AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1990)
Pruitt, Steven L. (cont'd)	House of Reps.	Exec. Dir., Hse. Budget Cmte.	Heron, Burchette	St. Mary's Cement	Canada	$ 3,860
				Asia Satellite Telecomm.	Hong Kong	5,898
				St. Lawrence Cement	Canada	45,654
				Inland Cement	Canada	13,493
				Yamaichi Securities	Japan	10,000
				Daiwa Securities	Japan	8,348
				Assoc. Export de Flores	Colombia	— na —
			Laxalt, Washington	Air China International	China	— na —
				Assoc. de Empresas RENFE	Spain	— na —
				Govt. of Antigua/Barbuda	Antigua/Barbuda	— na —
				Govt. of Angola	Angola	— na —
				Operaciones Turisticas	Honduras	— na —
				Institut de la Vie	France	— na —
Raffaelli, John	U.S. Senate	Senate Aide	McAuliffe, Kelly, Raffaelli & Siemens	Emb. of Repub. of Turkey	Turkey	— na —
Ratchford, William R.	House of Reps.	Member of Cong.	Gold & Liebengood	Fiat, SpA	Italy	788,933
				Thomson-CSF, Inc.	France	313,444
				Beretta USA Corp.	Italy	139,658
Reuss, Henry S.	House of Reps.	Member of Cong.	Rose, Schmidt, Hasley & DiSalle	Mex. Lead Oxide Producers	Mexico	237,077
				Inst. Mex. de la Fluorita	Mexico	27,797
				Industrias Penoles	Mexico	— na —
				Minera de las Cuevas	Mexico	— na —
Rhodes, John J.	House of Reps.	Member of Cong.	Hunton & Williams	INTELSAT	Intl.	38,718

Ribicoff, Abraham	U.S. Senate	Senator	Kaye, Scholer	Elsevier Sci. Publrs.	Netherlands	699,230
				Japan Ctr. Info./Cult.	Japan	90,914
Richardson, Elliot	Dept. of State	Amb.-at-Large	Milbank, Tweed	Embassy of Iceland	Iceland	41,833
				People's Repub. of China	China	35,000
				Government of Kuwait	Kuwait	38,895
				JDS Intl. Consulting	Angola	— na —
Richmond, Marilyn	U.S. Senate	Couns., Comm. Cmte.	Heron, Burchette	Assoc. Export de Flores	Colombia	1,031,596
				St. Lawrence Cement	Canada	1,000,094
				CBI Sugar Group, Inc.	Latin America	433,650
				Mitsubishi Electric	Japan	109,844
				Japan Tobacco	Japan	101,616
				Canada Cement Lafarge	Canada	183,909
				Genstar Cement	Canada	78,897
				St. Mary's Cement	Canada	46,280
				Lake Ontario Cement	Canada	74,048
				RSV Mining Equipment	Netherlands	10,584
				Assn. Advmt. Human Rights	Japan	14,000
Robertson, Mark	U.S. Senate	House Aide	Hill & Knowlton	Palm Oil Reg. and Licensing	Malaysia	306,970
				Kingdom of Morocco	Morocco	297,865
				Government of Canada	Canada	— na —
Robinson, Philip	White House	Staff, Off. of Tech. Assessment	Patton, Boggs & Blow	Nakajima All Co.	Japan	132,409
				Duty Free Shoppers, Ltd.	Hong Kong	146,077
				Government of Iceland	Iceland	126,165
				Sultanate of Oman	Oman	90,300
				Royal Trust Co.	Canada	85,298
				Cargolux Airlines	Luxembourg	58,240
				Fund Pro-Image/Exterior	Colombia	37,500
				Olympic Fibers, SA	Costa Rica	65,816
				Buckett Packaging	Canada	11,479

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AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1990)
Robinson, Philip (cont'd)	White House	Staff, Off. of Tech. Assessment	Patton, Boggs & Blow	Fiart Cantieri Italiani	Italy	$ 7,965
				Fund./Def. Comercio Ext.	Costa Rica	7,150
				Govt./Repub. of Marshall Isl.	Marshall Isl.	— na —
				Minerals Marketing Corp.	Zimbabwe	— na —
Rose, Jonathan	Dept. of Justice	Asst. Atty. Gen., Legal Policy	Jones, Day, Reavis & Pogue	Embassy of the PRC	China	127,845
				Morgan Grenfell Ltd.	Gr. Britain	1,390,650
				London Chamb. Comm/Ind.	Gr. Britain	— na —
				Govt. of Costa Rica	Costa Rica	— na —
Rosenthal, Jennifer	House of Reps.	House Aide	Neill & Co.	Government of Kenya	Kenya	1,055,172
				Kingdom of Morocco	Morocco	1,590,000
				Arab Repub. of Egypt	Egypt	2,180,463
				Kingdom of Jordan	Jordan	1,330,000
				Government of Gabon	Gabon	437,500
				Islam Repub. of Pakistan	Pakistan	580,000
				Government of Jamaica	Jamaica	150,000
				Government of Guinea	Guinea	75,000
				Govt./Dem. Repub. of Sudan	Sudan	60,000
				Govt. of El Salvador	El Salvador	5,000
				Korea For. Trade Assn.	South Korea	— na —
				Rossing Uranium Ltd.	Namibia	— na —
				African Devlt. Bank	Intl.	— na —
				China Trade Devlt. Cncl.	China	— na —
				Govt. of Côte d'Ivoire	Côte d'Ivoire	— na —
Rousselot, John	White House	Spec. Asst./Pres.	Alcalde and Rousselot	Brit. Assn./Invest. Trust	Gr. Britain	— na —
Salmon, John J.	House of Reps.	Chf. Couns., Ways and Means Cmte.	Dewey, Ballantine	The Dee Corp., PLC	Gr. Britain	44,501
				Henschell Insias, Ltd.	Barbados	11,748
Samolis, Frank	House of Reps.	Staff, Ways and Means Subcmte. on Trade	Patton, Boggs & Blow	Sultanate of Oman	Oman	509,853
				Nakajima All Co.	Japan	406,807
				Government of Iceland	Iceland	177,207
				Duty Free Shoppers, Ltd.	Hong Kong	311,805
				Fiart Cantieri Italiani	Italy	51,873
				Beckett Packaging	Canada	38,465
				Fund./Def. Comercio Exter.	Costa Rica	12,650
				Minerals Marketing Corp.	Zimbabwe	17,238
				Govt./Repub. of Marshall Isl.	Marshall Isl.	9,030
				Butoni e Grandi, SpA	Italy	1,134
				Unitary Tax Campaign	Gr. Britain	— na —
				E. Palicio y Cia	Venezuela	— na —
				Government of Spain	Spain	— na —
Sandifer, Myron G. III	U.S. Senate	Senate Aide	Jack McDonald Co.	Hitachi Sales/America	Japan	155,830
				Soc. Gén de Surveillance	Switzerland	85,745
				Minorco SA	Luxembourg	10,908
Santos, Leonard	U.S. Senate	Chf. Trade Couns., Sen. Finance Cmte.	Perkins, Coie	Krupp Atlas Elektronik	W. Germany	— na —
			Verner, Liipfert	Oerlikon-Buhrle Military	Switzerland	53,697
				J. D. Irving, Ltd.	Canada	20,574
				Matra Aérospace	France	17,488
				Dévoluinox, SA	France	— na —
Satterfield, David	House of Reps.	Member of Cong.	Bishop, Cook	BAT Industries	Gr. Britain	513,507
				CSR, Ltd.	Australia	218,177
				Patson PTY, Ltd.	Australia	11,404
Saunders, Stephen	White House	Asst. U.S. Trade Representative	Saunders and Co.	Mitsubishi Electric	Japan	234,318
				Embassy of Japan	Japan	220,000

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AGENT[1]	GOVERNMENT BRANCH	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1986–1990)
Saunders, Stephen (cont'd)	White House	Asst. U.S. Trade Representative	Saunders and Co.	Seiko-Epson Corp.	Japan	$ 141,411
				Taiwan Textile Fed.	Taiwan	93,408
				Obayashi Corporation	Japan	78,408
				Bd. For. Trade/Repub. of China	Taiwan	18,000
				Elec. Inds. Assn./Japan	Japan	— no —
				Government of Canada	Canada	— no —
Scruggs, John F.	Dept. of Health and Human Svcs.	Asst. Secy./Legis.	Gold & Liebengood	Fiat, SpA	Italy	788,933
				Thomson-CSF, Inc.	France	313,443
				BAA, plc	Gr. Britain	34,955
				Ricoh	Japan	98,770
				Beretta USA Corp.	Italy	60,048
Simons, Lawrence	Fed. Housing Adm.	Commissioner	Powell, Goldstein	Embassy of Morocco	Morocco	9,101
Sittman, William	White House	Spec. Asst./Pres.	Michael K. Deaver Associates	Intl. Cult. Soc./Korea	South Korea	474,770
				Daewoo Corporation	South Korea	225,073
				CBI Sugar Group, Inc.	Latin America	300,000
				Embassy of Canada	Canada	100,290
				Min. Comm. and Ind. Devt.	Mexico	80,900
				Royal Emb. of Saudi Arabia	Saudi Arabia	375,000
				Govt. of Singapore	Singapore	— no —
				Korea Broadcast./Adv.	South Korea	— no —
Small, Karna	Natl. Secur. Cncl.	Dir. Pub. Affairs	Hill & Knowlton	SGS North America	Switzerland	220,175
				Republic of Turkey	Turkey	2,237,447
				Govt. of Cayman Islands	Cayman Islands	380,344
				Elec. Inds. Assn./Korea	South Korea	311,960
				Hyundai Motor America	South Korea	158,807
				Elec. Inds. Assn./Japan	Japan	344,818
				Palm Oil Reg. and Licensing	Malaysia	420,898
Smith, Michael B.	White House	Dep. U.S. Trade Representative	Steptoe & Johnson	Can. Sugar Institute	Canada	— no —
Stern, Paula	Intl. Trade Comm.	Chairwoman	Winthrop, Stimson	Metallverken Nederlanden	Sweden	1,288,872
Stone, Richard B.	U.S. Senate	Senator	Richard B. Stone	Republic of China	Taiwan	92,000
			Proskauer, Rose, Goetz & Mendelsohn	Bd. For. Trade/Repub. of China	Taiwan	170,000
				Government of Guatemala	Guatemala	110,000
Talmadge, Herman E.	U.S. Senate	Senator	Barnett & Alagia	Thai Food Proc. Assn.	Thailand	300,000
Tate, Sheila B.	White House	Press Secretary	Burson-Marsteller	Thomson, SA	France	384,119
Thompson, Robert	White House	Exec. Asst./Vice Pres. George Bush	Thompson and Co.	Mitsubishi Elec./Amer.	Japan	308,614
				Suzuki of America Auto	Japan	317,800
				Emb. of Repub. of Turkey	Turkey	100,000
				Reed Telepublishing	Gr. Britain	22,418
Topelius, Kathleen E.	Fed. Home Loan Bank Board	Atty., Off. of Gen. Counsel	Morgan, Lewis and Bockius	Banco de Santander	Spain	4,445
Urbanchuk, John	U.S. Army	Desk Officer, Polit./Mil. Div., Off. of Dep. Chf. of Staff	Hill & Knowlton	Ferruzzi Finanziaria	Italy	743,375

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AGENT[1]	GOVERNMENT BOARDS	PUBLIC POSITION	FIRM OF EMPLOYMENT	FOREIGN CLIENT	COUNTRY	FEES AND EXPENDITURES PAID TO FIRM[2] (1980–1990)
Wolford, W. Harrison	White House	Exec. Assoc. - Dir., Off. of Mgmt. and Budget	Wolford, Wagman	Embassy of Canada	Canada	$ 648,763
				Province of Manitoba	Canada	308,619
				Sekhukin Oil Devlt. Corp.	Japan	— nr —
Whitfield, Dennis	Dept. of Labor	Dep. Secretary	The Brock Group	Bd. For. Trade/Repub. of China	Taiwan	240,000
Wiles, Burton	U.S. Senate	Comm., Jud. Cmte.	Arent, Fox	Sitmar Cruises	Australia	— nr —
Winnick, Joanne	White House	Asst./Press Secy.	Sears Davis Intl.	Honduran National Party	Honduras	— nr —
Wirick, Robert	U.S. Senate	Senate Aide	Hill & Knowlton	Republic of Turkey	Turkey	1,363,388
				Cdte d'Amer Devlt.	France	38,890
				Liberal Democratic Party	Japan	248,000
				Hyundai Motor America	South Korea	435,081
				Kingdom of Morocco	Morocco	297,803
				Korean Airlines	South Korea	294,810
				Government of Angola	Angola	20,000
				Govt. of Cayman Islands	Cayman Islands	204,130
				Asbestos Institute	Canada	— nr —
				NEC Corporation	Japan	— nr —
				Soc. Cdte. de Surveillance	Switzerland	— nr —
				Arab Women's Council	Intl.	— nr —
				Prince Talal	Saudi Arabia	— nr —
				Brother, Inc.	Japan	— nr —
				Can. Asbestos Info. Ctr.	Canada	— nr —
				Salen Dry Cargo	Sweden	— nr —
				INTELSAT	Intl.	— nr —
				Airbus Industrie N. Amer.	European Comm.	— nr —
				Republic of Korea	South Korea	— nr —
Wunder, Bernard	Dept. of Commerce	Asst. Secy., Commun./ Info.	Wunder, Ryan, Cannon & Thelen	Kingdom of Morocco	Morocco	— nr —
				Ad Hoc Instr. Group	Bermuda	— nr —
				Industrial Equity (Pacific) Ltd.	New Zealand	— nr —

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Appendix A

APPENDIX B

Japan's Registered Foreign Agents in America

(March 1990)

JAPANESE ORGANIZATION	AMERICAN AGENT	DATE FIRST REGISTERED
All Nippon Airways Co.	Global U.S.A., Inc.	9/13/84
Assn. for the Advancement of Human Rights	Hill & Knowlton, Inc.	4/11/88
Bank of Japan	Wilbur F. Monroe Assoc.	9/21/78
Brother Industries, Ltd.	Hill & Knowlton, Inc.	5/15/87
The Central Union of Agricultural Cooperatives (ZENCHU)	Donald G. Lerch, Jr., & Co. Arter & Hadden	1/8/87 3/3/87
Chiyoda Chemical, Engineering & Construction Company, Ltd.	Hori & Bunker, Inc.	7/17/89
Communications Industry Assn. of Japan	Anderson, Hibey, Nauheim & Blair Mintz, Levin, et al.	2/12/82 2/2/87
Consolidated Grain & Barge Co.	Verner, Liipfert, et al.	9/19/88
Consulate General of Japan	Whitehouse Assoc. Michael Klepper Assoc. Bernhagen & Assoc. Philip Van Slyck, Inc.	2/24/70 9/9/87 6/15/87 9/29/66
Eitaro Itoyama	Black, Manafort, et al.	8/23/89
Electronics Industries Assn. of Japan	H. William Tanaka Baron/Canning & Co. Hill & Knowlton, Inc. Anderson, Hibey, et al. Mudge, Rose, et al.	12/9/77 6/14/72 5/27/83 1/31/86 10/2/87
Embassy of Japan	Charles von Loewenfeldt, Jr. H. William Tanaka Philip Van Slyck, Inc. Hogan & Hartson Mike Masaoka Assoc.	9/16/71 4/24/56 5/4/71 5/7/71 1/26/84

JAPANESE ORGANIZATION	AMERICAN AGENT	DATE FIRST REGISTERED
Embassy of Japan (cont'd)	Dechert, Price & Rhoads	4/27/77
	Walter H. Evans III	5/15/79
	Saunders & Co.	3/8/83
	Washington Resources & Strategy	6/8/87
	Law Offices of Paul H. Delaney, Jr.	10/25/88
	North American Precis Syndicate	12/20/89
Export-Import Bank of Japan	Dechert, Price & Rhoads	4/27/77
Fanuc, Ltd.	Global U.S.A., Inc.	6/29/83
The Fasteners Inst. of Japan	H. William Tanaka	11/15/89
Federation of Japan Salmon Fisheries	Jay Donald Hastings	5/24/82
Federation of Japan Tuna Fisheries	Jay Donald Hastings	9/14/83
Fuji Electric Co., Ltd.	Myron H. Nordquist	1/5/90
	Kelley, Drye & Warren	11/3/88
Fuji Heavy Industries, Ltd.	Willkie, Farr & Gallagher	7/24/86
	Piper Pacific Intl.	10/26/89
Fujitsu America, Inc.	Akin, Gump, Strauss, et al.	8/7/87
	Victor Atiyeh & Co.	4/22/88
Fujitsu, Ltd.	Akin, Gump, Strauss, et al.	4/17/86
	Michael Solomon Assoc.	10/2/87
	Morrison & Foerster	8/23/89
Fujitsu Microelectronics	Ball, Janik & Novack	3/28/89
	Akin, Gump, Strauss, et al.	4/17/86
Government of Japan	Japan Economic Inst. of America	1/25/56
	Wilbur F. Monroe Assoc.	5/4/78
	Orrick, Herrington & Sutcliffe	6/15/89
Guam Oranao Development Co., Ltd.	Gerard F. Schiappa	9/1/89
Hitachi America, Ltd.	Jack H. McDonald Co.	9/29/87
	Powell, Goldstein, Frazer, et al.	9/25/87
Hitachi, Ltd.	Powell, Goldstein, Frazer, et al.	10/24/85
	Hill & Knowlton, Inc.	3/30/87
	Global U.S.A., Inc.	9/5/85
Hitachi Research Inst.	Hill & Knowlton, Inc.	5/31/89
Hitachi Sales Corp. of America	Powell, Goldstein, Frazer, et al.	4/10/87
	Jack H. McDonald Co.	4/10/87
Hokuten Trawlers Assn.	Jay Donald Hastings	5/24/82
	Garvey, Schubert & Barer	8/9/79
The Industrial Bank of Japan	Wilbur F. Morse Assoc.	9/28/79

JAPANESE ORGANIZATION	AMERICAN AGENT	DATE FIRST REGISTERED
Intl. Public Relations Co., Ltd.	TKC International Inc.	9/10/81
	Civic Service, Inc.	6/28/82
Intl. Telecom Japan, Inc.	Debevoise & Plimpton	11/5/87
Japan Aero Engines Corp./Japan Aircraft Development	Global U.S.A., Inc.	9/13/84
Japan Air Lines	Law Offices of John P. Sears	5/9/84
	West Glen Communications	11/23/88
	Charles von Loewenfeldt, Inc.	1/5/54
Japan Auto Parts Industries Assn.	Robinson, Lake, et al.	6/12/87
Japan Automobile Mfrs. Assn.	H. William Tanaka	6/9/77
	Law Offices of John P. Sears	5/9/84
	Jellinek, Schwartz, et al.	2/23/90
Japan Automobile Tire Mfrs. Assn.	H. William Tanaka	6/13/84
Japan Bearing Industrial Assn.	H. William Tanaka	11/12/81
Japan Deep Sea Trawlers Assn.	Jay Donald Hastings	5/24/82
	Garvey, Schubert, et al.	8/9/79
Japan Economic Inst.	Donald G. Lerch, Jr., & Co.	10/22/70
Japan Electronic Industry Development Assn.	Graham & James	1/12/90
Japan Export Metal Flatware Industry Assn.	H. William Tanaka	10/8/81
Japan External Trade Organization (JETRO)	The International Marketing Center, Ltd.	6/15/76
	Dentsu Burson-Marsteller	8/11/86
	The Klein Partnership	8/27/86
	Michael Solomon Assoc.	1/6/87
	Productions by Hirahara	3/8/88
	TransPacific Communications Research Co.	8/26/88
	Hill & Knowlton, Inc.	5/31/89
Japan Fair Trade Center	Arnold & Porter	9/11/87
Japan Federation of Construction Contractors	Global U.S.A., Inc.	7/10/87
Japan Fisheries Assn.	Jay Donald Hastings	11/16/78
	Garvey, Schubert, et al.	2/22/82
	Richard A. Frank Law Offices	11/30/87
	Bernhagen & Assoc.	2/6/90
Japan Foundation	Modern Talking Pictures Service, Inc.	7/30/81
	Charles von Loewenfeldt, Inc.	2/10/87

JAPANESE ORGANIZATION	AMERICAN AGENT	DATE FIRST REGISTERED
Japan Galvanized Iron Sheet Exporters' Assn.	Willkie, Farr & Gallagher	12/26/85
Japan Inst. for Social & Economic Affairs	Charles von Loewenfeldt, Inc.	11/14/79
Japan Iron & Steel Exporters' Assn.	Charles E. Butler & Assoc. Willkie, Farr & Gallagher Steptoe & Johnson	12/29/83 12/26/85 4/19/89
Japan Lumber Importers' Assn.	Mudge, Rose, et al.	2/1/85
Japan Machine Tool Builders Assn.	Anderson, Hibey, et al.	7/14/83
Japan Machinery Exporters' Assn.	Anderson, Hibey, et al.	7/14/83
Japan Metal Forming Machine Builders Assn.	Anderson, Hibey, et al.	7/14/83
Japan Pottery Exporters' Assn.	H. William Tanaka	8/3/81
Japan Society of Industrial Machinery Manufacturers	Paul A. London & Assoc.	4/5/88
The Japan Steel Works, Ltd.	Popham, Haik, et al.	4/28/89
Japan Telescopes Mfrs. Assn.	Mike Masaoka Assoc.	11/3/83
Japan Tobacco, Inc.	Daniel J. Edelman, Inc.	8/7/86
Japan Trade Center	H. William Tanaka Mike Masaoka Assoc. TKC International, Inc.	8/9/66 6/19/74 1/15/79
Japan Tuna Fisheries Co-op	Anderson & Pendleton, C.A.	6/13/86
Japan Whaling Assn.	Tele-Press Associates, Inc.	11/14/79
Japan Wire Products Exporters Assn.	Willkie, Farr & Gallagher	12/26/85
Japanese Information Service of the Japanese Consulate	Derus Media Service, Inc.	7/14/87
Japanese National Tourist Org.	Modern Talking Pictures Service	2/11/82
Japanese Tanner Crab Assn.	Jay Donald Hastings	5/24/82
Kinki Nippon Tourist Co.	Intermarketing, Inc.	3/15/89
Koito Manufacturing Co.	Paul, Hastings, et al. Kekst & Co.	7/7/89 2/21/90
Komatsu Ltd.	Global U.S.A., Inc. Arnold & Porter Ogilvy & Mather, et al. APCO Assoc.	7/22/83 2/12/90 2/13/90 2/14/90

JAPANESE ORGANIZATION	AMERICAN AGENT	DATE FIRST REGISTERED
Koyo Corp. of U.S.A.	Powell, Goldstein, Frazer, et al.	6/28/89
Koyo Seiko Co., Ltd.	Powell, Goldstein, Frazer, et al.	6/28/89
Kyocera Corp.	Global U.S.A., Inc.	3/24/84
Marubeni America Corp.	Hill & Knowlton, Inc.	2/24/88
Matsushita Electric Industrial Co.	Weil, Gotshal & Manges	8/4/86
Mazak Corp.	Global U.S.A., Inc.	7/11/83
Mitsubishi Electric Corp.	Robinson, Lake, et al.	12/1/86
Mitsubishi Electric Corp. through Universal Public	Saunders & Co.	7/28/87
Mitsubishi Electronics America Inc.	Thompson & Co.	2/25/88
Mitsubishi Motors Corp.	Ruder Finn	10/5/87
Mitsubishi Trust & Banking	Civic Service, Inc.	3/18/88
Murata Machinery, Ltd.	Global U.S.A., Inc.	1/24/90
Nakajima All Co., Ltd.	Patton, Boggs & Blow	9/26/86
NEC Corp.	Hill & Knowlton, Inc. Manatt, Phelps, et al. Paul, Weiss, Rifkind	5/20/87 4/10/87 5/10/85
New Hampshire Ball Bearings	Hill & Knowlton, Inc.	9/13/88
NHK	Anderson, Hibey, et al.	9/5/89
Nihon Agency, Inc.	Intermarketing, Inc.	11/20/87
Nintendo of America, Inc.	Hill & Knowlton, Inc.	5/30/89
Nippon Cargo Airlines Co.	Williams & Jensen, P.C.	10/24/85
Nippon Steel Corp.	Steptoe & Johnson	3/28/89
Nippon Telegraph and Telephone Public Corp. (NTT)	Civic Service, Inc.	6/15/83
Nippon Yusen Kaisha (NYK)	Pettit & Martin	4/17/86
Nissan Aerospace Division/Nissan Motor Co., Ltd.	International Technology & Trade Assoc., Inc.	2/21/90
Nissan Motor Co., Ltd.	Manchester Assoc., Ltd.	8/9/79
Nissho Iwai American Corp.	William E. Colby	5/12/88

Appendix B

JAPANESE ORGANIZATION	AMERICAN AGENT	DATE FIRST REGISTERED
Nissho-Iwai Co., Ltd.	Cove, Cooper & Lewis, Inc.	11/6/79
NKB Co. Inc.	Harry A. Savage	4/17/89
Nomura Research Inst.	Wilbur F. Monroe Assoc.	5/8/84
North Pacific Longline Assn.	Paul D. Kelly	4/20/88
North Pacific Longline Gillnet Assn.	Jay Donald Hastings	5/24/82
Ohbayashi Corp.	Graham & James Saunders & Co.	5/3/89 1/13/88
PR Service Co., Ltd.	Civic Service, Inc.	5/2/88
Research Development Corp. of Japan	International Science & Technology Assoc.	6/22/87
Ricoh Electronics, Inc.	Fleishman-Hillard, Inc.	9/1/88
Sanwa Bank, Ltd.	Civic Service, Inc. Hill & Knowlton, Inc.	7/25/88 3/31/88
Seibulite International, Inc.	Hill & Knowlton, Inc.	9/13/88
Seiko-Epson Corp.	Saunders & Co. Victor Atiyeh & Co.	6/14/89 4/22/88
Shintaro Ishihara	Fleishman-Hillard, Inc.	1/12/90
Sony Corp.	Arent, Fox, et al. Debevoise & Plimpton	7/14/86 10/5/83
Sumitomo Corp.	Stafford, Burke, et al.	10/25/84
Suzuki of America Automotive Corp.	Thompson & Co.	2/25/88
Toa Nenryo Kogyo Kabushiki Kaisha	First Associates, Inc.	2/25/87
Tohoku Electric Power Co.	Washington Policy & Analysis Michael Solomon Assoc.	7/3/89 8/11/89
Tokyo Agency, Inc.	Fleishman-Hillard, Inc.	4/5/87
Tokyo Electric Co.	Kelley, Drye & Warren	7/24/87
Toshiba Corp.	Mudge, Rose, et al.	4/14/87
Toyo Kogyo, Ltd.	Hill & Knowlton, Inc.	2/16/87
Toyo Menka Kaisha, Ltd.	Sedam & Shearer, P.C.	10/14/87
Toyota Motor Corp.	Hill & Knowlton, Inc. Arent, Fox, et al.	5/31/89 5/4/83
Toyota Motor Corporate Services of North America	Schnader, Harrison, et al.	11/14/89
World Vision Travel Co.	Hori & Bunker	9/7/89

IDENTIFICATION OF FOREIGN REPRESENTATION ACTIVITIES BY CERTAIN FORMER FEDERAL OFFICIALS

APPENDIX 1B

NAME	TITLE	GRADE	AGENCY	TER. DATE	EMPLOYER	TYPE SERVICE	CLIENT	COUNTRY	DATE REPRESENT.	DATE TERMIN.	SOURCE
AIELLO, STEPHEN R.	SPEC. ASST TO PRESIDENT		WH	01/20/81	BURSON-MARSTELLER	CONSULT./PR	SAUDI BASIC INDUS. CORP.	SAUDI ARABIA	04/17/85		FARA
AIELLO, STEPHEN A.	SPEC. ASST TO PRESIDENT		WH	01/20/81	BURSON-MARSTELLER	CONSULT./PR	STERN MAGAZINE	GERMANY	04/17/85		FARA
AIELLO, STEPHEN A.	SPEC. ASST TO PRESIDENT		WH	01/20/81	BURSON-MARSTELLER	CONSULT./PR	THOMSON S.A.	FRANCE	04/17/85		FARA
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	GARVEY, SCHUBERT, ET AL.	LOBBYING/LEGAL	SONATRACH	ALGERIA	12/23/82	06/30/85	FARA
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	GARVEY, SCHUBERT, ET AL.	LOBBYING/LEGAL	JAPAN DEEP SEA TRAWLERS ASSN.	JAPAN	12/23/82	06/30/85	FARA
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	GARVEY, SCHUBERT, ET AL.	LOBBYING/LEGAL	HOKUTEN TRAWLERS ASSN.	JAPAN	12/23/82	06/30/85	FARA
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	GARVEY, SCHUBERT, ET AL.	LOBBYING/LEGAL	[illegible] CREEK MINES, LTD.	CANADA	11/23/82	06/30/85	FARA
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	GARVEY, SCHUBERT, ET AL.	LOBBYING/LEGAL	JAPAN FISHERIES ASSN	JAPAN	12/23/82	06/30/85	FARA
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	GARVEY, SCHUBERT, ET AL.	LOBBYING/LEGAL	ENERGY RESOURCES OF AUSTRALIA, LTD	AUSTRALIA	12/23/82	06/30/85	FARA
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	GARVEY, SCHUBERT, ET AL.	LOBBYING/LEGAL	COSCO (CHINA OCEAN SHIPPING CO)	PRC	12/23/82	06/30/85	FARA
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	BISHOP, LIBERMAN, ET AL.	LEGAL	COTIA COMERCIAL IMPORTACAO/EXPORT.	BRAZIL	1985	TERM.	COMMERCE
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	BISHOP, LIBERMAN, ET AL.	LEGAL	COTIA COMERCIAL IMPORTACAO/EXPORT.	BRAZIL	1985	TERM.	COMMERCE
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	BISHOP, LIBERMAN, ET AL.	LEGAL	[illegible] CO., LTD.	JAPAN	08/01/85	TERM.	ITC
ALBERGER, WILLIAM R.	CHAIRMAN/ITC	ES-03	ITC	06/16/82	BISHOP, LIBERMAN, ET AL.	LEGAL	[illegible] CYCLE, INC., LTD.	JAPAN	08/01/85	TERM.	ITC
ALBERGER, WILLIAM A.	CHAIRMAN/ITC	ES-06	ITC	06/16/82	BISHOP, LIBERMAN, ET AL.	LEGAL	COTIA COMERCIAL IMPORTACAO/EXPORT.	BRAZIL	12/12/85	TERM.	ITC
ALLEN, RICHARD V.	ASST TO PRES. FOR NATL SEC AFF		WH	01/05/82	RICHARD V. ALLEN	CONSULT/LOBBYING	PANAMA CANAL STUDY GROUP	JAPAN	10/01/83	01/15/85	FARA
ALLEN, RICHARD V.	ASST TO PRES. FOR NATL SEC AFF		WH	01/05/82	RICHARD V. ALLEN	CONSULT/LOBBYING	ALITALIA AIRLINES	ITALY	04/01/83	02/01/83	FARA
ALLEN, RICHARD V.	ASST TO PRES. FOR NATL SEC AFF		WH	01/05/82	RICHARD V. ALLEN	CONSULT/LOBBYING	CHINESE NAT. ASSOC OF INDUST & [illegible]	TAIWAN	06/26/85		FARA
ALLEN, RICHARD V.	ASST TO PRES. FOR NATL SEC AFF		WH	01/05/82	RICHARD V. ALLEN	CONSULTING	SEOUL OLYMPIC ORGANIZING COMMITTEE	KOREA	02/21/86		FARA
ALLISON, THOMAS G.	GENERAL COUNSEL	ES-04	DOT	03/20/81	PRESTON, THORGRIMSON, ET AL.	LOBBYING/LEGAL	GOVT OF [illegible]	[illegible]	03/09/84		FARA
BAILEY, NORMAN A.	SP ASST TO PRES; SIG,INTL EC AFF		NSC	1984	COLBY, BAILEY, WERNER & ASSOC	CONSULTING	[illegible]	BRAZIL	08/24/85		FARA
BAILEY, NORMAN A.	SP ASST TO PRES; SIG,INTL EC AFF		NSC	1984	COLBY, BAILEY, WERNER & ASSOC	CONSULTING	LATIN AMERICAN IRON & STEEL INST.	CHILE	02/24/86		FARA
BAILEY, NORMAN A.	SP ASST TO PRES; SIG,INTL EC AFF		NSC	1984	COLBY, BAILEY, WERNER & ASSOC	CONSULTING	MONETARY AUTHORITY OF SINGAPORE	SINGAPORE	06/20/86		FARA
BARIO, PATRICIA	DEP. PRESS SEC. TO PRESIDENT		WH	01/20/81	BURSON-MARSTELLER/SELF	CONSULT./PR	PETROLEOS DE VENEZUELA, S.A.	VENEZUELA	11/14/83	05/31/85	FARA
BARNDS, WILLIAM J.	STAFF DIR, ASIAN & PACIFIC SC		HR/COMM	01/85	JAPAN ECONOMIC INST. OF AM.	LOBBYING	GOVT OF JAPAN	JAPAN	02/26/85		FARA
BAYH, BIRCH E. JR.	US SENATOR		S/[illegible]	01/03/81	RIVKIN, RADLER, DUNNE & BAYH	LEGAL	[illegible] LINES	JAPAN	08/06/85		FARA
BENNETT, ALAN R.	SPEC COUNSEL/MIN.-GOVT AFF COMM		S/COMM	1980	[illegible], [illegible], ET AL.	LOBBYING/LEGAL	ELSEVIER SCIENCE PUBLISHERS BV	NETHERLANDS	03/31/81	05/02/86	FARA
BLUM, BARBARA A.	DEPUTY ADMINISTRATOR	ES-02	EPA	01/20/81	DIRECTION INTERNATIONAL	CONSULTING	AB VOLVO	SWEDEN	09/15/82		FARA
BOSWELL, MARION L.	LIEUTENANT GENERAL	09	AIR FORCE	06/30/81	ITALIAN AEROSPACE INDUS. (USA)	LOBBYING/CONSULT.	AERITALIA SOCIETA AEROSPAZIALE ITAL	ITALY	06/11/82		FARA
BOSWELL, MARION L.	LIEUTENANT GENERAL	09	AIR FORCE	06/30/81	ITALIAN AEROSPACE INDUS. (USA)	LOBBYING	AERITALIA	ITALY	06/11/82	08/15/83	LOBBY ACT
BOSWELL, MARION L.	LIEUTENANT GENERAL	09	AIR FORCE	06/30/81	ITALIAN ADVANCED INDUSTRIES	LOBBYING/CONSULT.	AERITALIA	ITALY	05/03/85		FARA
BOSWELL, MARION L.	LIEUTENANT GENERAL	09	AIR FORCE	06/30/81	ITALIAN ADVANCED INDUSTRIES	LOBBYING	AERITALIA	ITALY	12/05/85		LOBBY ACT
BOSWELL, MARION L.	LIEUTENANT GENERAL	09	AIR FORCE	06/30/81	ITALIAN ADVANCED INDUSTRIES	LOBBYING/CONSULT.	ALFA ROMEO	ITALY	05/03/85		FARA
BOSWELL, MARION L.	LIEUTENANT GENERAL	09	AIR FORCE	06/30/81	ITALIAN ADVANCED INDUSTRIES	LOBBYING/CONSULT.	ANSALDO	ITALY	05/03/85		FARA
BOSWELL, MARION L.	LIEUTENANT GENERAL	09	AIR FORCE	06/30/81	ITALIAN ADVANCED INDUSTRIES	LOBBYING/CONSULT.	FINMECCANICA	ITALY	05/03/85		FARA
BOSWELL, MARION L.	LIEUTENANT GENERAL	09	AIR FORCE	06/30/81	ITALIAN ADVANCED INDUSTRIES	LOBBYING/CONSULT.	[illegible]	ITALY	05/03/85		FARA
BRACY, TERRENCE L.	ASSISTANT SECRETARY	ES-04	DOT	10/21/79	BRACY WILLIAMS & CO.	LOBBYING	SINGAPORE AIRLINES LTD.	SINGAPORE	*09/16/86		FARA
BRADY, LAWRENCE J.	ASST.SEC. FOR TRADE ADMIN.	ES-04	DOC	10/14/83	[illegible] & COMPANY	LOBBYING	[illegible] COMPANY	JAPAN	03/27/85	03/31/85	FARA

BRADY, LAWRENCE J.	ASST.SEC. FOR TRADE ADMIN.	EX-04	DOC	10/14/83	GRAY & COMPANY	LOBBYING	BIROBS INDUSTRIE OF NORTH AMERICA	FRANCE/GER./UK	05/07/85	07/01/85	FARA
BRADY, LAWRENCE J.	ASST.SEC. FOR TRADE ADMIN.	EX-04	DOC	10/14/83	GRAY & COMPANY	LOBBYING	REPUBLIC OF KOREA	KOREA	05/02/85	07/31/85	FARA
BRADY, LAWRENCE J.	ASST.SEC. FOR TRADE ADMIN.	EX-04	DOC	10/14/83	GRAY & COMPANY	LOBBYING	ELECTRONIC INDUSTRIES ASSN OF JAPAN	JAPAN	05/07/85	07/01/85	FARA
BRADY, LAWRENCE J.	ASST.SEC. FOR TRADE ADMIN.	EX-04	DOC	10/14/83	GRAY & COMPANY	LOBBYING	KOREAN AIR LINES	KOREA	05/20/85	07/01/85	FARA
BRADY, LAWRENCE J.	ASST.SEC. FOR TRADE ADMIN.	EX-04	DOC	10/14/83	GRAY & COMPANY	LOBBYING	SADIKEN, INC.	JAPAN	04/21/85	07/01/85	FARA
BRESLIN, VINCENT J.	EXEC.DIR./REP. SEN. CAMPAIGN		S/CONG	1980	DUGAN DAVIS & ASSOC.	CONSULTING	GOVT OF EGYPT	EGYPT	04/19/84		FARA
BRUNHEIM, DAVID	ASST ADMIN/INTERGOVT & INTL AFF	EX-04	EPA	09/06/80	SGA INTERNATIONAL INC.	CONSULTING	AIRBUS INDUSTRIE	FRANCE/GER./UK	07/17/82	12/04/85	FARA
BRUNHEIM, DAVID	ASST ADMIN/INTERGOVT & INTL AFF	EX-04	EPA	09/30/80	SGA INTERNATIONAL INC.	CONSULTING	SOPREAVIA	FRANCE	07/17/82	12/04/85	FARA
BURKE, KELLY H.	LIEUTENANT GENERAL	09	AIR FORCE	07/31/82	STAFFORD, BURKE & HECKER INC.	CONSULTING	SUMITOMO CORP.	JAPAN	10/04/84		FARA
BURKE, KELLY H.	LIEUTENANT GENERAL	09	AIR FORCE	07/31/82	STAFFORD, BURKE & HECKER INC.	CONSULTING	OERLIKON-BUHRLE LTD.	SWITZERLAND	04/15/85	1986	FARA
CALHOUN, MICHAEL J.	COMMISSIONER/VICE CHAIR	EX-04	ITC	09/10/82	FINLEY, KUMBLE, ET AL.	LEGAL	HANKOOK TIRE MFG. CO., LTD.	KOREA	1984		COMMERCE
CALHOUN, MICHAEL J.	COMMISSIONER/VICE CHAIR	EX-04	ITC	09/10/82	FINLEY, KUMBLE, ET AL.	LEGAL	HANKOOK TRADING CO. LIMITED	KOREA	02/20/85		ITC
CALHOUN, MICHAEL J.	COMMISSIONER/VICE CHAIR	EX-04	ITC	09/10/82	FINLEY, KUMBLE, ET AL.	LEGAL	KOREAN MUSICAL INSTRUMENT INDUS ASN	KOREA	1984		COMMERCE
CALHOUN, MICHAEL J.	COMMISSIONER/VICE CHAIR	EX-04	ITC	09/10/82	FINLEY, KUMBLE, ET AL.	LEGAL	KOREAN MUSICAL INSTRUMENT INDUS ASN	KOREA	10/23/84		ITC
CALHOUN, MICHAEL J.	COMMISSIONER/VICE CHAIR	EX-04	ITC	09/10/82	FINLEY, KUMBLE, ET AL.	LEGAL	KOREAN STATIONERY INDUSTRY ASSN	KOREA	1983		COMMERCE
CALHOUN, MICHAEL J.	COMMISSIONER/VICE CHAIR	EX-04	ITC	09/10/82	FINLEY, KUMBLE, ET AL.	LEGAL	KOREAN STATIONERY INDUSTRY ASSN	KOREA	02/13/85		ITC
CALHOUN, MICHAEL J.	COMMISSIONER/VICE CHAIR	EX-04	ITC	09/10/82	FINLEY, KUMBLE, ET AL.	LEGAL	KOREAN TIRE INDUSTRY ASSN	KOREA	03/15/85		ITC
CALHOUN, MICHAEL J.	COMMISSIONER/VICE CHAIR	EX-04	ITC	09/10/82	FINLEY, KUMBLE, ET AL.	LEGAL	[illegible]	TURKEY	1985		COMMERCE
CANZERI, JOSEPH W.	ASST TO PRES;ASST DEP CHIEF STAFF		WH	02/14/82	THE CANZERI COMPANY	CONSULT./P.ADM.	THE NEW NATIONAL PARTY	GRENADA	12/02/84	1985	FARA
CHAPOTON, JOHN E.	ASST. SECRETARY, TAX POLICY	EX-04	TREAS	08/01/84	JOHN E. CHAPOTON	LOBBYING/LEGAL	PARIBAS ASSET MANAGEMENT INC.	FRANCE	06/07/85		LDA
CHURCH, FRANK	US SENATOR		S/CONG	01/03/81	WHITMAN & RANSOM	LOBBYING/LEGAL	DAIHO STEEL TUBE WORKS CO. LTD	KOREA	11/06/81	TERM.	FARA
CHURCH, FRANK	US SENATOR		S/CONG	01/03/81	WHITMAN & RANSOM	LOBBYING/LEGAL	JAPAN EXTERNAL TRADE ORGANIZATION	JAPAN	01/10/83	TERM.	FARA
CHURCH, FRANK	US SENATOR		S/CONG	01/03/81	WHITMAN & RANSOM	LOBBYING/LEGAL	GOVT OF REPUBLIC OF CHINA	TAIWAN	09/30/83	TERM.	FARA
CICCONI, JAMES W.	SP ASST/PRES; ASST/CHIEF OF STAFF		WH	1985	AKIN, GUMP, ET AL.	LOBBYING/LEGAL	GOVT OF CANADA	CANADA	03/18/85	04/18/85	FARA
CICCONI, JAMES W.	SP ASST/PRES; ASST/CHIEF OF STAFF		WH	1985	AKIN, GUMP, ET AL.	LOBBYING/LEGAL	FIMPAC	CHILE	03/18/85	09/18/85	FARA
CICCONI, JAMES W.	SP ASST/PRES; ASST/CHIEF OF STAFF		WH	1985	AKIN, GUMP, ET AL.	LOBBYING/LEGAL	INTELSAT	INTL ORG.	03/18/85	04/18/85	FARA
CICCONI, JAMES W.	SP ASST/PRES; ASST/CHIEF OF STAFF		WH	1985	AKIN, GUMP, ET AL.	LOBBYING/LEGAL	EMBASSY OF THE PRC	PRC	03/19/85	04/18/85	FARA
COHEN, SCOTT	STAFF DIR./SENATE FOREIGN REL.		S/CONG	05/30/85	GILBERT A. ROBINSON, INC.	LOBBYING/CONSULT.	INTELSAT	INTL ORG.	07/03/85	02/06/86	FARA
CULVER, JOHN C.	US SENATOR		S/CONG	1981	ARENT, FOX, ET AL.	LOBBYING/CONSULT.	INTELSAT	INTL ORG.	04/20/82		LOBBY ACT
CULVER, JOHN C.	US SENATOR		S/CONG	1981	ARENT, FOX, ET AL.	LOBBYING/CONSULT.	MESSERSCHMITT-BOLKOW-BLOHM	GERMANY	04/20/83		LOBBY ACT
CULVER, JOHN C.	US SENATOR		S/CONG	1981	ARENT, FOX, ET AL.	LEGAL	SITMAR CRUISES, INC.	LIBERIA	05/10/77	03/19/86	FARA
CULVER, JOHN C.	US SENATOR		S/CONG	1981	ARENT, FOX, ET AL.	LEGAL	THE PERRIER GROUP	FRANCE	11/01/85		FARA
CULVER, JOHN C.	US SENATOR		S/CONG	1981	ARENT, FOX, ET AL.	LEGAL	TOYOTA MOTOR CORP.	JAPAN	11/01/85		FARA
CULVER, JOHN C.	US SENATOR		S/CONG	1981	ARENT, FOX, ET AL.	LEGAL	MESSERSCHMITT-BOLKOW-BLOHM	GERMANY	11/01/85		FARA
CUTLER, LLOYD N.	COUNSELLOR TO PRESIDENT		WH	11/30/80	WILMER, CUTLER & PICKERING	LOBBYING/LEGAL	KHD-KAMIS TURBINENFABRIK GMBH	GERMANY	09/22/82	01/09/85	FARA
CUTLER, LLOYD N.	COUNSELLOR TO PRESIDENT		WH	11/30/80	WILMER, CUTLER & PICKERING	LOBBYING/LEGAL	HAPAG-LLOYD AG	GERMANY	09/23/82	01/09/85	FARA
CUTLER, LLOYD N.	COUNSELLOR TO PRESIDENT		WH	11/30/80	WILMER, CUTLER & PICKERING	LOBBYING/LEGAL	KINGDOM OF THE NETHERLANDS	NETHERLANDS	04/13/83	01/09/85	FARA
CUTLER, LLOYD N.	COUNSELLOR TO PRESIDENT		WH	11/30/80	WILMER, CUTLER & PICKERING	LOBBYING/LEGAL	DEUTSCH LUFTHANSA AG	GERMANY	04/01/83	01/09/85	FARA
DAVIS, MENDEL J.	US REPRESENTATIVE		HR/CONG	1980	DAVIS, WAGNER & ASSOC. INC.	CONSULTING	ALIA, N.V.	NETHERLANDS	01/31/85	01/1986	FARA
DEAVER, MICHAEL K.	ASST TO PRES/DEP CHIEF OF STAFF		WH	05/10/85	MICHAEL K. DEAVER & ASSOC.	LOBBYING/CONSULT.	CDI SUGAR GROUP, INC.	PANAMA	09/10/85	07/04/86	LDA
DEAVER, MICHAEL K.	ASST TO PRES/DEP CHIEF OF STAFF		WH	05/10/85	MICHAEL K. DEAVER & ASSOC.	LOBBYING/CONSULT.	DAEWOO CORP.	KOREA	11/21/85		LDA
DEAVER, MICHAEL K.	ASST TO PRES/DEP CHIEF OF STAFF		WH	05/10/85	MICHAEL K. DEAVER & ASSOC.	LOBBYING/CONSULT.	EMBASSY OF GOVT OF CANADA	CANADA	09/16/85	04/18/86	LDA
DEAVER, MICHAEL K.	ASST TO PRES/DEP CHIEF OF STAFF		WH	05/10/85	MICHAEL K. DEAVER & ASSOC.	LOBBYING/CONSULT.	INTL CULTURAL SOCIETY OF KOREA/GOV	KOREA	01/30/86		FARA

DEAVER, MICHAEL K.	ASST TO PRES/DEP CHIEF OF STAFF		WH	05/10/85	MICHAEL K. DEAVER & ASSOC.	LOBBYING/CONSULT.	GOVT OF SINGAPORE	SINGAPORE	12/27/85	04/15/86	FARA
DONATELLI, FRANK J.	DEP. ASST. TO PRES./PUB. LIAISON		WH	04/30/85	PATTON, BOGGS, AND BLOW	LOBBYING/LEGAL	DUTY FREE SHOPPERS, LTD.	HONG KONG	06/26/85		FARA
DONNELLY, THOMAS A.,JR	SPEC. ASST. TO PRESIDENT/LEGIS.		WH	10/12/85	THE PAGONIS & DONNELLY GROUP	LOBBYING/LEGAL	THE ALGOMA STEEL CORP., LTD	CANADA	10/17/85		FARA
DONNELLY, THOMAS A.,JR	SPEC. ASST. TO PRESIDENT/LEGIS.		WH	10/12/85	THE PAGONIS & DONNELLY GROUP	LOBBYING/LEGAL	STELCO, INC.	CANADA	10/17/85		FARA
DONNELLY, THOMAS A.,JR	SPEC. ASST. TO PRESIDENT/LEGIS.		WH	10/12/85	THE PAGONIS & DONNELLY GROUP	LOBBYING/LEGAL	DOFASCO, INC.	CANADA	10/17/85		FARA
EIZENSTAT, STUART E.	ASST. TO PRES./DOM. AFF & POL		WH	01/20/81	POWELL, GOLDSTEIN, ET AL	CONSULT./LEGAL	REPUBLIC OF [illegible]	[illegible]	09/25/81	04/09/82	FARA
EIZENSTAT, STUART E.	ASST. TO PRES./DOM. AFF & POL		WH	01/20/81	POWELL, GOLDSTEIN, ET AL	CONSULT./LOBBYING	INTELSAT	INTL ORG.	05/13/85		FARA
EIZENSTAT, STUART E.	ASST. TO PRES./DOM. AFF & POL		WH	01/20/81	POWELL, GOLDSTEIN, ET AL	CONSULT./LEGAL	HITACHI, LTD.	JAPAN	10/20/85		FARA
ESO, GUY F.	DEP DIR./[illegible] GOVT CORP AGENCY	EX-IV	AID	01/20/81	GFS, LTD.	LOBBYING/CONSULT	CENAI, S.A.	MEXICO	07/10/81		FARA
ESO, GUY F.	DEP DIR./[illegible] GOVT CORP AGENCY	EX-IV	AID	01/20/81	GFS, LTD.	LOBBYING/CONSULT	[illegible]	MEXICO	04/27/85		FARA
EVANS, BILLY LEE	US REPRESENTATIVE		HR/CONG	01/20/81	ALCALDE, HENDERSON & O'BANNON	LOBBYING/LEGAL	ASSN OF INVESTMENT TRUST CO.	UNITED KINGDOM	03/14/84	TERM.	FARA
EVANS, BILLY LEE	US REPRESENTATIVE		HR/CONG	01/20/81	BILL HECHT AND ASSOC., INC.	LOBBYING/LEGAL	HONG KONG TRADE DEVEL. COUNCIL	HONG KONG	10/04/85		FARA
EVANS, BILLY LEE	US REPRESENTATIVE		HR/CONG	01/20/81	BILL HECHT AND ASSOC., INC.	LOBBYING/LEGAL	GOVT OF REPUBLIC OF PANAMA	PANAMA	04/22/86		FARA
EVANS, THOMAS B.,JR	US REPRESENTATIVE		HR/CONG	01/20/83	O'CONNOR & HANNAN	LOBBYING/LEGAL	[illegible] LTD	UNITED KINGDOM	04/10/83	08/15/85	FARA
EVANS, THOMAS B.,JR	US REPRESENTATIVE		HR/CONG	01/20/83	O'CONNOR & HANNAN	LOBBYING/LEGAL	[illegible] ASSN LTD	UNITED KINGDOM	04/10/83	08/15/85	FARA
EVANS, THOMAS B.,JR	US REPRESENTATIVE		HR/CONG	01/20/83	O'CONNOR & HANNAN	LOBBYING/LEGAL	[illegible] CORPORATION, LTD.	UNITED KINGDOM	04/10/83	08/15/85	FARA
EVANS, THOMAS B.,JR	US REPRESENTATIVE		HR/CONG	01/20/83	O'CONNOR & HANNAN	LOBBYING/LEGAL	GOVT OF JAMAICA	JAMAICA	04/26/83	08/15/85	FARA
EVANS, THOMAS B.,JR	US REPRESENTATIVE		HR/CONG	01/20/83	O'CONNOR & HANNAN	LOBBYING/LEGAL	GOVT OF CYPRUS	CYPRUS	04/10/84	08/15/85	FARA
EVANS, THOMAS B.,JR	US REPRESENTATIVE		HR/CONG	01/20/83	O'CONNOR & HANNAN	LOBBYING/LEGAL	[illegible] REALTY LIMITED	UNITED KINGDOM	04/23/84	08/15/85	FARA
EVANS, THOMAS B.,JR	US REPRESENTATIVE		HR/CONG	01/20/83	[illegible], PHELPS, ET AL	LOBBYING/LEGAL	GOVT OF JAMAICA	JAMAICA	09/20/85		FARA
EVANS, THOMAS B.,JR	US REPRESENTATIVE		HR/CONG	01/20/83	[illegible], PHELPS, ET AL	LOBBYING/LEGAL	JAMAICA BROADCASTING CORP.	JAMAICA	09/20/85		FARA
EVANS, THOMAS B.,JR	US REPRESENTATIVE		HR/CONG	01/20/83	[illegible], PHELPS, ET AL	LOBBYING/LEGAL	REPUBLIC OF CYPRUS	CYPRUS	09/20/85		FARA
FENNELL, MICHAEL J.	STAFF DIR. & S/C CENSUS & POP		HR/CONG	1983	O'CONNOR & HANNAN	LOBBYING/LEGAL	[illegible]	HONG KONG	10/10/84	06/1986	FARA
FENNELL, MICHAEL J.	STAFF DIR. & S/C CENSUS & POP		HR/CONG	1983	O'CONNOR & HANNAN	LOBBYING/LEGAL	GOVT OF ECUADOR	ECUADOR	11/26/85		FARA
FENNELL, MICHAEL J.	STAFF DIR. & S/C CENSUS & POP		HR/CONG	1983	O'CONNOR & HANNAN	LOBBYING/LEGAL	[illegible] MEXICANOS, S.A.	MEXICO	11/26/85		FARA
FENNELL, MICHAEL J.	STAFF DIR. & S/C CENSUS & POP		HR/CONG	1983	O'CONNOR & HANNAN	LOBBYING/LEGAL	MEXICAN [illegible] CHAMBER OF COMMERCE	MEXICO	11/26/85		FARA
FENNELL, MICHAEL J.	STAFF DIR. & S/C CENSUS & POP		HR/CONG	1983	O'CONNOR & HANNAN	LOBBYING/LEGAL	[illegible], S.A.	MEXICO	11/26/85		FARA
FINLEY, MICHAEL A.	STAFF DIR., INTL OPERATIONS SC		HR/CONG	1980	HEMISPHERE ASSOCIATES, INC.	LOBBYING	COSTA RICAN ASSN OF [illegible]	COSTA RICA	10/20/81	06/30/82	FARA
FINLEY, MICHAEL A.	STAFF DIR., INTL OPERATIONS SC		HR/CONG	1980	HEMISPHERE ASSOCIATES, INC.	CONSULTING	EMBASSY OF EL SALVADOR	EL SALVADOR	10/20/81	06/30/82	FARA
FRANK, RICHARD A.	ADMINISTRATOR, NOAA	EX-V3	DOC	01/15/81	[illegible] & [illegible]	LOBBYING/CONSULT	GOVT OF AUSTRALIA	AUSTRALIA	04/07/83	04/1986	FARA
GOLD, MARTIN B.	COUNSEL/SENATE MAJORITY LEADER		S/CONG	1982	GRAY AND COMPANY	LOBBYING/CONSULT	REPUBLIC OF TURKEY	TURKEY	01/11/83	07/00/84	LOBBY ACT
GOLD, MARTIN B.	COUNSEL/SENATE MAJORITY LEADER		S/CONG	1982	GRAY AND COMPANY	LOBBYING/CONSULT	[illegible], LTD.	UNITED KINGDOM	01/13/83	07/00/84	LOBBY ACT
GOLD, MARTIN B.	COUNSEL/SENATE MAJORITY LEADER		S/CONG	1982	GRAY AND COMPANY	LOBBYING/CONSULT	[illegible], FINLEY & COMPANY, LTD.	UNITED KINGDOM	01/13/83	07/00/84	LOBBY ACT
GOLD, MARTIN B.	COUNSEL/SENATE MAJORITY LEADER		S/CONG	1982	GRAY AND COMPANY	LOBBYING/LEGAL	MARTIN BAKER AIRCRAFT CO., LTD.	UNITED KINGDOM	02/26/81	01/00/84	LOBBY ACT
GOLD, MARTIN B.	COUNSEL/SENATE MAJORITY LEADER		S/CONG	1982	GRAY AND COMPANY	LOBBYING/LEGAL	MARTIN BAKER AIRCRAFT CO., LTD.	UNITED KINGDOM	03/09/83	07/00/84	FARA
GOLD, MARTIN B.	COUNSEL/SENATE MAJORITY LEADER		S/CONG	1983	GRAY AND COMPANY	LOBBYING/CONSULT	REPUBLIC OF TURKEY	TURKEY	06/21/83	07/00/84	FARA
GOLD, MARTIN B.	COUNSEL/SENATE MAJORITY LEADER		S/CONG	1982	GRAY AND COMPANY	LOBBYING/CONSULT	SALEN DRY CARGO, INC.	SWEDEN	04/17/84	07/00/84	FARA
GOLD, MARTIN B.	COUNSEL/SENATE MAJORITY LEADER		S/CONG	1982	GOLD AND LIEBENGOOD, INC.	LOBBYING/CONSULT	[illegible] GOLD CORPORATION, LTD.	SOUTH AFRICA	07/09/85	02/01/86	FARA
GRIFFIN, PATRICK J.	SECRETARY/ SEN. MINORITY		S/CONG	02/1985	BURSON-MARSTELLER	CONSULTING	[illegible] DE VENEZUELA S.A.	VENEZUELA	03/10/85	05/10/85	FARA
GRIFFIN, PATRICK J.	SECRETARY/ SEN. MINORITY		S/CONG	02/1985	BURSON-MARSTELLER	CONSULTING	THOMSON, S.A.	FRANCE	03/10/85	11/30/85	FARA
GRIFFIN, PATRICK J.	SECRETARY/ SEN. MINORITY		S/CONG	02/1985	BURSON-MARSTELLER	CONSULTING	SAUDI BASIC INDUS CORP. (SABIC)	SAUDI ARABIA	03/10/85	05/10/85	FARA
* [illegible], EDWARD B.	STAFF DIR. HR REPUB. POLICY		HR/CONG	1984	LIPSEN, [illegible], ET AL	LOBBYING/LEGAL	SEA SERVICES, LTD.	PANAMA	05/10/84		FARA
[illegible], HERBERT E. II	US REPRESENTATIVE		HR/CONG	1980	[illegible] & [illegible]	LEGAL	[illegible] ASSN OF PHILIPPINES	PHILIPPINES	1983		COMMERCE

[illegible], RICHARD D.	STAFF DIR./ ENERGY & NAT RES		S/CENR	1984	UNITED INTL CONSULTANTS	LOBBYING/LEGAL	EMBASSY OF SOUTH AFRICA	SOUTH AFRICA	07/16/85		FARA
HECKER, GUY L. JR.	MAJ. GEN./DIR., LEGIS. LIAISON	AF	AIR FORCE	09/30/82	STAFFORD, BURKE & HECKER, INC.	CONSULTING	SUMITOMO CORPORATION	JAPAN	10/25/84		FARA
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	TOSHIBA SHIBAURA ELECTRIC CO., LTD	JAPAN	1981		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	AMBASSADOR OF SWISS CONFEDERATION	SWITZERLAND	06/19/81		FARA
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	FED SUISSE DES ASS DE FAB D'HORLOG	SWITZERLAND	06/19/81	1982	FARA
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	UN ASC DE PRODUCTORES DE [illegible]	MEXICO	06/19/81		FARA
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	CANADIAN SOFTWOOD LUMBER COMM	CANADA	11/04/82		ITC
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	CANADIAN SOFTWOOD LUMBER COMM	CANADA	11/08/82		ITC
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	CANADIAN SOFTWOOD LUMBER COMM	CANADA	11/30/83		ITC
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	CANADIAN SOFTWOOD LUMBER COMM	CANADA	1983		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	SAMSUNG ELECTRONICS CO, LTD	KOREA	1981		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	CANADA PACKERS, INC.	CANADA	1984		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	FAMA S.P.A. [illegible]	ITALY	1984		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	ALVEX, S.A.	MEXICO	1984		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	HYLSA, S.A.	MEXICO	1984		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	HYLSA, S.A.	MEXICO	1984		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	HYLSA, S.A.	MEXICO	1984		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	HYLSA, S.A.	MEXICO	1984		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	INDUSTRIAS MONTERREY S.A.	MEXICO	1984		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	NACIONAL FINANCIERA, S.A.	ARGENTINA	1984	1985	COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	TUBERIA LAGUNA, S.A. DE CV	MEXICO	1984		COMMERCE
HERZSTEIN, ROBERT E.	UNDERSEC. FOR INTL TRADE	EX-03	DOC	1981	ARNOLD & PORTER	LEGAL	CANADA PACKERS, INC.	CANADA	11/25/84		ITC
HESSLER, CURTIS A.	ASST. SECRETARY, ECONOMICS	EX-04	TREAS	01/20/81	PAUL, WEISS, ET AL	LOBBYING/LEGAL	NIPPON ELECTRIC CO., LTD.	JAPAN	01/06/82		FARA
HILDENBRAND, WILLIAM F.	SECRETARY OF THE SENATE		S/CONG	04/1985	GOLD AND LIEBENGOOD, INC.	LOBBYING/CONSULT.	INTL GOLD CORPORATION, LTD.	SOUTH AFRICA	07/05/85	10/1985	FARA
JANKA, LESLIE A.	SPEC ASST TO PRES; DEP PRESS SEC.		WH	10/20/83	NEILL AND COMPANY	LOBBYING/CONSULT.	ARAB REP. OF EGYPT	EGYPT	07/23/84		FARA
JANKA, LESLIE A.	SPEC ASST TO PRES; DEP PRESS SEC.		WH	10/20/83	NEILL AND COMPANY	LOBBYING/CONSULT.	GOVT OF EL SALVADOR	EL SALVADOR	07/23/84	06/01/85	FARA
JANKA, LESLIE A.	SPEC ASST TO PRES; DEP PRESS SEC.		WH	10/20/83	NEILL AND COMPANY	LOBBYING/CONSULT.	HASHEMITE KINGDOM OF JORDAN	JORDAN	07/23/84		FARA
JANKA, LESLIE A.	SPEC ASST TO PRES; DEP PRESS SEC.		WH	10/20/83	NEILL AND COMPANY	LOBBYING/CONSULT.	KINGDOM OF MOROCCO	MOROCCO	07/23/84	3/1986	FARA
JANKA, LESLIE A.	SPEC ASST TO PRES; DEP PRESS SEC.		WH	10/20/83	NEILL AND COMPANY	LOBBYING/CONSULT.	GOVT OF DEM REP OF THE SUDAN	SUDAN	04/09/85	08/01/85	FARA
JANKA, LESLIE A.	SPEC ASST TO PRES; DEP PRESS SEC.		WH	10/20/83	NEILL AND COMPANY	LOBBYING/CONSULT.	INTELSAT	INTL ORG	04/22/85	11/13/85	FARA
JANKA, LESLIE A.	SPEC ASST TO PRES; DEP PRESS SEC.		WH	10/20/83	NEILL AND COMPANY	LOBBYING/CONSULT.	GOVT OF REP. OF GABON	GABON	01/14/86		FARA
KABEL, ROBERT J.	SPEC. ASST. TO PRESIDENT		WH	1984	MANATT, PHELPS, ET AL.	LOBBYING/LEGAL	JAMAICA BROADCASTING CORP	JAMAICA	09/26/85		FARA
KABEL, ROBERT J.	SPEC. ASST. TO PRESIDENT		WH	1984	MANATT, PHELPS, ET AL.	LOBBYING/LEGAL	REPUBLIC OF CYPRUS	CYPRUS	09/20/85		FARA
KABEL, ROBERT J.	SPEC. ASST. TO PRESIDENT		WH	1984	MANATT, PHELPS, ET AL.	LOBBYING/LEGAL	GOVT OF JAMAICA	JAMAICA	09/20/85		FARA
* KIRSCHENBAUM, BRUCE	DEP ASST TO PRES/INTERGOVTL AFF		WH	01/20/81	STROOCK, STROOCK, AND LAVAN	LOBBYING/LEGAL	CHEMOLIMPEX FOREIGN TRADE CO.	HUNGARY	07/30/81	03/23/83	FARA
KIRSCHENBAUM, BRUCE	DEP ASST TO PRES/INTERGOVTL AFF		WH	01/20/81	STROOCK, STROOCK, AND LAVAN	LOBBYING/LEGAL	CHINOIN PHARMACEUTICAL & CHEM WORKS	HUNGARY	07/30/81	03/23/83	FARA
KIRSCHENBAUM, BRUCE	DEP ASST TO PRES/INTERGOVTL AFF		WH	01/20/81	STROOCK, STROOCK, AND LAVAN	LOBBYING/LEGAL	BANK HAPOALIM, B.M.	ISRAEL	07/30/81	04/10/84	FARA
LEACH, DANIEL E.	VICE CHAIRMAN/EQUAL OPP. COMM	EX-V	EEOC	09/03/81	[illegible], PAGE	LOBBYING	THE MANUFACTURERS LIFE INSURANCE CO	CANADA	06/30/83	11/1985	FARA
LIEBENGOOD, HOWARD A.	SERGEANT AT ARMS		S/CONG	1983	GOLD & LIEBENGOOD, INC.	LOBBYING	INTL GOLD CORPORATION, LTD.	SOUTH AFRICA	07/09/85	02/06/86	FARA
LIGHTHIZER, ROBERT E.	DEP. US TRADE REPRESENTATIVE	EX-03	USTR	04/27/85	SKADDEN, ARPS, ET AL.	CONSULT./LEGAL	SUGAR & ALCOHOL INST/IND. OF [illegible]	BRAZIL	03/04/85	03/1986	FARA
MACDONALD, DAVID R.	DEP. US TRADE REPRESENTATIVE	EX-03	USTR	03/31/83	BAKER & MCKENZIE	LEGAL	TEXTILE CHAMBER OF AND ASSN OF URUGUAY	URUGUAY	04/17/84		FARA
MACDONALD, DAVID R.	DEP. US TRADE REPRESENTATIVE	EX-03	USTR	03/31/83	BAKER & MCKENZIE	LEGAL	GOVT OF THE SEYCHELLES	SEYCHELLES	04/11/85		FARA
MANATOS, ANDREW E.	ASST. SEC./CONG. AFFAIRS	EX-04	DOC	01/20/81	MANATOS & MANATOS	LOBBYING/CONSULT.	EMBASSY OF JAPAN	JAPAN	09/26/83	01/1985	FARA

MANATOS, ANDREW E.	ASST. SEC./CONG. AFFAIRS	EX-04	DOC	01/20/81	MANATOS & MANATOS	LOBBYING,CONSULT.	EMBASSY OF GREECE	GREECE	04.18/86		EAA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	REPUBLIC OF TURKEY	TURKEY	03/14/85		LOBBY ACT	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	AIRBUS INDUSTRIE OF NORTH AMERICA	FRANCE/GER./UK	04/10/85		EAA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	BRITISH AEROSPACE	UNITED KINGDOM	04/10/85	06/30/86	EAA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	REPUBLIC OF TURKEY	TURKEY	04/10/85		EAA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO. ES.	LOBBYING	KINGDOM OF MOROCCO	MOROCCO	05/85		FARA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	REPUBLIC OF KOREA	KOREA	05/85		FARA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	NISSAN AMERICA	JAPAN	06/85		EAA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	HITACHI AMERICA	JAPAN	06/85		LOBBY ACT	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	DIVISION OF MOROCCO	MOROCCO	07/10/85	04/10/86	LOBBY ACT	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	CANADIAN ASBESTOS INFO CENTRE	CANADA	10/10/85		LOBBY ACT	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	LIBERAL DEMOCRATIC PARTY OF JAPAN	JAPAN	12/85		EAA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	THE ASBESTOS INSTITUTE	CANADA	12/85		FARA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	REPUBLIC OF KOREA	KOREA	01/10/86		LOBBY ACT	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	MITSUBISHI MOTORS AMERICA	KOREA	02/06/86		EAA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	GOVT OF THE CAYMAN ISLANDS	CAYMAN ISLANDS	04/22/86		EAA	
MASSEY, DONALD F.	DEPUTY SERGEANT AT ARMS		S/CONG	1985	GRAY & CO.	LOBBYING	GOVT OF THE CAYMAN ISLANDS	CAYMAN ISLANDS	05/05/86		LOBBY ACT	
MCELHENY, DICK	ASST. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	NISSAN MOTORS OF NORTH AMERICA	FRANCE/GER./UK	04/05/86		EAA	
MCELHENY, DICK	ASST. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	ELECTRONIC INDUS ASSN OF JAPAN	JAPAN	04/05/85	06/06/86	EAA	
MCELHENY, DICK	ASST. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	KINGDOM OF MOROCCO	MOROCCO	04/05/85		FARA	
MCELHENY, DICK	ASSP. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	HYUNDAI AUTO LTDS	KOREA	04/05/85		FARA	
MCELHENY, DICK	ASSI. SEC. FOR TRADE DEV./ITA	EX-04	EXC	04/07/84	GRAY & CO.	LOBBYING	REPUBLIC OF KOREA	KOREA	04/05/85		FARA	
MCELHENY, DICK	ASSI. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	KINGDOM OF MOROCCO	MOROCCO	10/10/85	10/11/86	LOBBY ACT	
MCELHENY, DICK	ASST. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	DAEWOO ELECTRONIC CO.	KOREA	10/15/85	04/10/86	FARA	
MCELHENY, DICK	ASSI. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	LIBERAL DEMOCRATIC PARTY OF JAPAN	JAPAN	10/15/85	05/15/86	EAA	
MCELHENY, DICK	ASST. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	HYUNDAI MOTOR AMERICA	KOREA	11/10/85		EAA	
MCELHENY, DICK	ASST. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	HITACHI, INC.	JAPAN	03/07.86		FARA	
MCELHENY, DICK	ASST. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	CANADIAN ASBESTOS INFO CENTRE	CANADA	03/31/86		FARA	
MCELHENY, DICK	ASST. SEC. FOR TRADE DEV./ITA	EX-04	DOC	04/07/84	GRAY & CO.	LOBBYING	COTE D'AZUR DEVELOPMENT	FRANCE	04/02/86	TERM.	EAA	
MOFFETT, ANTHONY TONY	US REPRESENTATIVE		HA/CONG	1984	ANTHONY TONY MOFFETT	CONSULTING	GOVT OF LEBANON/GEN. OF LEBANON	LEBANON	12/29/83	27/05/84	EAA	
MOSAIC, WILLIAM	GENERAL COUNSEL/ GEN. FINANCE		S/CONG	1980	ROBBINS & BELLE	LOBBYING	PARIBAS CCAP.	FRANCE	08/27/84		FARA	
MOYER, ROWEN E.	GENERAL COUNSEL	EX-04	DOC	10/2/81	BILLER & CHEVALIER	LEGAL	SAUDI ARABIA & STEEL CO.	SAUDI ARABIA	1983		CONTRACT	
MOYER, ROWEN E.	GENERAL COUNSEL	EX-04	DOC	10 20.81	BILLER & CHEVALIER	LEGAL	REPUBLIC OF FRANCE	FRANCE	10/31/84		EAA	
MURPHY, DANIEL J.	CHIEF OF STAFF/OFFICE OF VP		VP	1985	GRAY & CO.	LOBBYING	REPUBLIC OF TURKEY	TURKEY	06/04/85		LOBBY ACT	
MURPHY, DANIEL J.	CHIEF OF STAFF/OFFICE OF VP		VP	1985	GRAY & CO.	LOBBYING	KINGDOM OF MOROCCO	MOROCCO	01/10/86	04/11/86	LOBBY ACT	
MURPHY, DANIEL J.	CHIEF OF STAFF/OFFICE OF VP		VP	1985	GRAY & CO.	LOBBYING	BRITISH AEROSPACE AIRCRAFT	BRITISH AEROSPACE	04/10/85	04/30/86	EAA	
MURPHY, DANIEL J.	CHIEF OF STAFF/OFFICE OF VP		VP	1985	GRAY & CO.	LOBBYING	GOVT OF CAYMAN ISLANDS	CAYMAN ISLANDS	07/07/86		LOBBY ACT	
MURRIE, EDWARD S.	SECRETARY OF STATE	EX-01	SOS	1901	CANADIANNE & PARA	LOBBYING	NUCLEAR ACTIVITIES INFO TECH. CO.	CANADA	06/24/83		FARA	
NIMETZ, MATTHEW	UNDERSEC./SECURITY ASSISTANCE	EX-02	DOS	12/10/84	PAUL, WEISS, ET AL.	LOBBYING/LEGAL	NEC CORP./NEC AMERICA, INC.	JAPAN	01/1982		FARA	
NIMETZ, MATTHEW	UNDERSEC./SECURITY ASSISTANCE	EX-02	DOS	12/13/84	PAUL, WEISS, ET AL.	LOBBYING/LEGAL	KOREA FED. OF TEXTILE ASSOCIATES	KOREA	09/17/85		FARA	
NIMETZ, MATTHEW	UNDERSEC./SECURITY ASSISTANCE	EX-02	DOS	12/13/84	PAUL, WEISS, ET AL.	LOBBYING/LEGAL	SAMSUNG HEAVY & STEEL ASSN.	KOREA	09/17/85		FARA	
PRITCHARD, JOEL	US REPRESENTATIVE		HA/CONG	1984	BOWLES & GATES	LOBBYING/CONSULT.	INTELSAT	INTL ORG.	07/1/85		FARA	
REVOR, HENRY S.	US REPRESENTATIVE		HA/CONG	01/20/83	CHAPMAN, DUFF ET AL.	LEGAL	INDUSTRIAS PEMOLES	MEXICO	10/20/83		FARA	
REVOR, HENRY S.	US REPRESENTATIVE		HA/CONG	01/20/83	CHAPMAN, DUFF ET AL.	LEGAL	MINERA DE LAS CAMAS	MEXICO	10/20/82		EAA	
REVOR, HENRY S.	US REPRESENTATIVE		HA/CONG	01/20/82	CHAPMAN, DUFF ET AL.	LEGAL	INST. MEXICANO DE LA PLASTICA, A.C.	MEXICO	10/20/83		EAA	
REVOR, HENRY S.	US REPRESENTATIVE		HA/CONG	01/20/83	CHAPMAN, DUFF ET AL.	LEGAL	MEXICAN LEAD OXIDE PRODUCERS	MEXICO	10/20/83		EAA	

RHODES, JOHN J.	US REPRESENTATIVE/MIN. LEADER		HR/CONG	12/1982	HUNTON & WILLIAMS	LOBBYING/LEGAL	UNITEL	[illegible]	05/02/85		FARA
RIBICOFF, ABRAHAM	US SENATOR		S/CONG	01/1981	KAYE,SCHOLER ET AL.	LOBBYING/LEGAL	ELSEVIER SCIENCE PUBLISHERS,B/V	NETHERLANDS	04/10/81	05/22/86	FARA
RIBICOFF, ABRAHAM	US SENATOR		S/CONG	01/1981	KAYE,SCHOLER ET AL.	LEGAL	JAPAN CENTER FOR INFO & CULT. AFF.	JAPAN	04/02/83	04/13/84	FARA
ROUSSELOT, JOHN H.	SP ASST/PRES; DEP DIR,PUB LIAISON		WH	12/06/83	ALCADE, HENDERSON ET AL.	LOBBYING/CONSULT.	BRITISH AGRI /INVESTMENT TRUST CO.	UNITED KINGDOM	04/26/85	10/21/85	FARA
SALMON, JOHN J.	CHIEF COUNSEL/WAYS & MEANS CMM		HR/CONG	1985	DEWEY, BALLANTINE, ET AL.	LOBBYING/LEGAL	[illegible], LTD.	BARBADOS	11/27/85		FARA
SALMON, JOHN J.	CHIEF COUNSEL/WAYS & MEANS CMM		HR/CONG	1985	DEWEY, BALLANTINE, ET AL.	LOBBYING/LEGAL	THE BOC CORPORATION PLC	UNITED KINGDOM	05/02/86		FARA
SATTERFIELD, DAVID E.	US REPRESENTATIVE		HR/CONG	01/03/81	DUNNAP, LIEBMAN ET AL.	LOBBYING/LEGAL	BAT INDUSTRIES, LTD.	UNITED KINGDOM	09/17/81	09/14/84	FARA
SAUNDERS, STEVEN R.	STAFF DIR/SEN REP CONFER FOR. CMM		S/CONG	1980	SAUNDERS & CO.	LOBBYING/CONSULT.	EMBASSY OF JAPAN	JAPAN	02/04/83		FARA
SAUNDERS, STEVEN R.	STAFF DIR/SEN REP CONFER FOR. CMM		S/CONG	1981	SAUNDERS & CO.	LOBBYING/CONSULT.	TAIWAN BOARD OF FOREIGN TRADE	TAIWAN	09/31/83		FARA
SAUNDERS, STEVEN R.	STAFF DIR/SEN REP CONFER FOR. CMM		S/CONG	1981	SAUNDERS & CO./GRAY & CO.	LOBBYING/CONSULT.	ELECTRONIC INDUSTRIES OF JAPAN	JAPAN	08/03/83		FARA
SAUNDERS, STEVEN R.	STAFF DIR/SEN REP CONFER FOR. CMM		S/CONG	1981	SAUNDERS & CO./GRAY & CO.	LOBBYING/CONSULT.	GOVT OF CANADA	CANADA	05/01/84		FARA
SITTMANN, WILLIAM F.	SP ASST/PRES; DP ASST/DEP CH.STAFF		WH	04/22/85	[illegible] & ASSOC.	LOBBYING	[illegible] GROUP, INC.	PANAMA	09/18/85	07/02/86	FARA
STAFFORD, THOMAS P.	LIEUTENANT GENERAL	09	AIR FORCE	10/31/79	STAFFORD, BURKE & HECKER,INC.	CONSULTANT	CONSTRUCCIONES AERONAUTICAS	SPAIN	08/15/83	03/16/84	FARA
STAFFORD, THOMAS P.	LIEUTENANT GENERAL	09	AIR FORCE	10/31/79	STAFFORD, BURKE & HECKER,INC.	CONSULTANT	[illegible] CORP.	JAPAN	10/25/84		FARA
STONE, RICHARD B.	US SENATOR		S/CONG	01/20/81	PROSKAUER,ROSE,GOETZ ET AL.	LEGAL	GOVT OF GUATEMALA	GUATEMALA	03/23/81	03/23/82	FARA
STONE, RICHARD B.	US SENATOR		S/CONG	01/20/81	PROSKAUER,ROSE,GOETZ ET AL.	LEGAL	BOARD OF FOREIGN TRADE/MIN. OF EC.	TAIWAN	05/20/81	04/30/82	FARA
STONE, RICHARD B.	US SENATOR		S/CONG	01/20/81	PROSKAUER,ROSE,GOETZ ET AL.	LEGAL	BOARD OF FOREIGN TRADE/MIN. OF EC.	TAIWAN	04/03/84		FARA
TALMADGE, HERMAN E.	US SENATOR		S/CONG	01/20/81	BARNETT & ALAGIA	LOBBYING/LEGAL	THAI FOOD PROCESSORS ASSN.	THAILAND	04/20/84	12/31/84	FARA
WALDMANN, RAYMOND J.	ASST SEC, INTL EC POLICY/ITA	ES-04	DOC	12/31/82	GLOBAL USA	LOBBYING/CONSULT.	FANUC, LTD.	JAPAN	06/24/83	11/30/83	FARA
WALDMANN, RAYMOND J.	ASST SEC, INTL EC POLICY/ITA	ES-04	DOC	12/31/82	GLOBAL USA	LOBBYING	[illegible], LTD.	JAPAN	07/22/83	11/30/83	FARA
WALDMANN, RAYMOND J.	ASST SEC, INTL EC POLICY/ITA	ES-04	DOC	12/31/82	GLOBAL USA	LOBBYING	[illegible] CORP.	JAPAN	07/11/83	11/30/83	FARA
WALDMANN, RAYMOND J.	ASST SEC, INTL EC POLICY/ITA	ES-04	DOC	12/31/82	GLOBAL USA	CONSULTING	REPUBLIC OF BOPHUTHATSWANA	BOPHUTHATSWANA	08/15/83	11/30/83	FARA
WALDMANN, RAYMOND J.	ASST SEC, INTL EC POLICY/ITA	ES-04	DOC	12/31/82	COLBY, BAILEY, [illegible]	LOBBYING/CONSULT.	[illegible] FOOTWEAR [illegible]	BRAZIL	03/01/85	08/02/85	FARA
WEGMAN, RICHARD A.	CH. COUNSEL/STAFF DIR, GOVTL AFF		S/CONG	1981	WELLFORD, WEGMAN, ET AL.	LOBBYING/LEGAL	EMBASSY OF CANADA	CANADA	LATE 1981		FARA
WEGMAN, RICHARD A.	CH. COUNSEL/STAFF DIR, GOVTL AFF		S/CONG	1981	WELLFORD, WEGMAN, ET AL.	LOBBYING/LEGAL	DEPT OF NATURAL RES, MANITOBA PROV.	CANADA	04/02/82		FARA
WEGMAN, RICHARD A.	CH. COUNSEL/STAFF DIR, GOVTL AFF		S/CONG	1981	WELLFORD, WEGMAN, ET AL.	LOBBYING/LEGAL	MIN OF ENVIRONMENT, ONTARIO PROV.	CANADA	SUMMER/85		FARA
WELLFORD, W. HARRISON	EXEC. ASSOC. DIR./ REORG & MGT	ES-04	OMB	02/20/81	WELLFORD, WEGMAN, ET AL.	LOBBYING/LEGAL	DEPT OF NATURAL RES, MANITOBA PROV.	CANADA	04/02/82	08/13/82	FARA
WELLFORD, W. HARRISON	EXEC. ASSOC. DIR./ REORG & MGT	ES-04	OMB	02/20/81	WELLFORD, WEGMAN, ET AL.	LOBBYING/LEGAL	GOVT OF CANADA	CANADA	FALL 1981		FARA
WEXLER, ANNE	ASSISTANT TO PRESIDENT		WH	01/20/81	WEXLER, REYNOLDS, ET AL.	LOBBYING/CONSULT.	FOOTHILLS PIPE LINES (YUKON) LTD.	CANADA	11/20/81		FARA

a/We attempted to verify this information with the individual, but received no response to our inquiries.

Mr. FRANK. I notice Mr. Johnson is here. If you would like to come forward—and Mr. Guarini has joined us—we'll now hear from Mr. Johnson and Mr. Guarini.

Mr. Johnson is the author of one of the major pieces of legislation before us, as Mr. Guarini is of one of the others. We are glad to have them also here in pursuit of their interests in this.

STATEMENT OF HON. TIM JOHNSON, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF SOUTH DAKOTA

Mr. JOHNSON. Well, thank you, Mr. Chairman.

At a time when many experts feel that our economy is challenged by international economic pressures and foreign investments, it's vital to our national interest to possess accurate information, at the very least, about those who lobby or those who serve as agents. I want to commend Dan Glickman and Marcy Kaptur and Mr. Guarini, and others, who have made significant contributions in this area.

I've also introduced a proposal to strengthen the Foreign Agents Registration Act, H.R. 1382. It has 19 cosponsors. This is the House counterpart to the late Senator Heinz' S. 346. The Heinz bill and my bill are somewhat similar to Congressman Glickman's bill. I'm not wedded to any particular approach here other than to believe that we ought to be making some progress in this area generally.

I think a case in point is how the 1938 law required Toshiba to report $7.2 million in lobbying expenses during an 18-month period ending in August 1988. The disclosure was required by the law requiring U.S.-based companies to disclose expenses spent for direct congressional lobbying, and yet the cost of the Toshiba campaign to modify proposed sanctions on itself as a result of a subsidiary's selling classified submarine information to the Soviets which went unreported because the law does not require the reporting of costs incurred for nondirect congressional lobbying.

The Foreign Agents Act of 1938 was basically designed to identify foreign sources of subversive propaganda. It is an old law and does not adequately address the contemporary needs for sunshine and disclosure. It does not address the problems associated with nondirect congressional lobbying. There were 825 foreign agents registered under the Foreign Agents Act in 1986, but the Justice Department officials estimated that these registrations represent only 30 to 60 percent of the total number of lobbyists and lawyers who might have otherwise registered.

So, I'd like to submit my full statement for the record——

Mr. FRANK. Without objection, it will be part of the record.

Mr. JOHNSON [continuing]. And, again, I commend you for holding these hearings. Thank you.

Mr. FRANK. Thank you.

[The prepared statement of Mr. Johnson follows:]

STATEMENT OF CONGRESSMAN TIM JOHNSON
JULY 24, 1991
HOUSE JUDICIARY COMMITTEE ON ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS

Mr. Chaiman, thank you for this opportunity to testify. At a time when many experts feel that our economy is severely challenged by international economic pressures and foreign investments, it is vital to our national interest to possess accurate information about those who lobby or serve as agents for foreign interests. I have introduced a proposal to strengthen the fifty-two year old Foreign Agents Registration Act, HR 1382. Senator Heinz introduced the companion, S. 346. The Heinz bill and my bill is similar to Congressman Glickman's bill.

A case in point is how the 1938 law required Toshiba Corporation to report $7.2 million in lobbying expenses during an 18 month period ending in August of 1988. This disclosure was required by the law requiring U.S. based companies to disclose expenses spent for direct congressional lobbying. Yet, the costs of Toshiba's campaign to modify proposed sanctions on itself as a result of a subsidiary's selling classified submarine information to the Soviets went unreported because the law does not require the reporting of costs incurred for non-direct congressional lobbying.

The Foreign Agents Act of 1938 sought to identify foreign sources of subversive propaganda. It does not address, however, the problems associated with non-direct congressional lobbying. There were 825 foreign agents registered under the Foreign Agents Act in 1986. Justice Department officials estimated that these registrations represented 30-60% of the total number of lobbyists and lawyers who should have registered.

The main provisions of H.R. 1381 are:

* Clarification of "foreign principal" to include American companies in which a foreign interest holds more than 50% ownership. Companies with a 20 to 50% foreign interest would have to prove that they are not foreign-controlled.

* Removal of the lawyer's exemption. The line between lawyer and lobbyist has become increasingly hazy and the deletion of this exemption would promote enforcement.

* Establishment of uniform reporting dates of December 31 and June 30 to supplement the agent's initial filing.

* Establishment of civil penalties to augment the existing criminal penalties.

In conclusion let me commend Senator Levin for the hearings he has conducted into laws regulating all lobbyists. Mr. Chairman, I do not profess to be an expert on this matter and I do not claim that my bill is the only way to address this issue. Additionally, I know that none of us here is out to put lobbyists out of business or to trample on the first amendment. The full range of foreign and domestic lobbying should be disclosed to the American public in a more thorough manner than is done today.

Mr. FRANK. Mr. Guarini, who is also the author of one of the important pieces of legislation is before us today.

STATEMENT OF HON. FRANK J. GUARINI, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY

Mr. GUARINI. Mr. Chairman, it's a pleasure to be before you this morning, and I think it's very important that these hearings examine into the Foreign Agents Registration Act, which has many loopholes and is very incomplete. I consider it a very important item to focus on because it does affect national policy issues and our national security.

In 1938, as you know, FARA was established to counteract Nazi activities in our country. National security issues are just as equally important.

The efforts of foreign interests to influence U.S. policy and politics have grown considerably in the last 20 years. Now there are 100 foreign corporations that have established PAC's through American subsidiaries. They contribute millions of dollars to campaigns. This is nothing in comparison, and it pales, with the hundreds of millions of dollars that are spent every year on lobbying and public relations efforts to shape American policies established by the U.S. Government.

One main problem is that, despite public disclosure demanded by FARA and other statutes, foreign influence continues to be exercised, for the most part in secret. For all practical purposes, we have little knowledge as to what is going on and how extensive it is.

It's my firm belief that the present situation is worse than having no disclosure requirements at all. The illusion of disclosure that presently exists results in a dangerous level of complacency. The public is led to believe that these lobbying activities are occurring in the open and are being regulated by public scrutiny when, in fact, they are not. In practice, the disclosure statutes are virtually meaningless. There is much that we do not know about lobbying campaigns and efforts to sway American public opinion.

Marcy Kaptur and I had jointly introduced H.R. 806, which requires the creation of an information clearinghouse. Presently, we have fragmented information in many different depositories about foreign lobbying activities. We have it in the Federal regulations of the Lobbying Act; the Foreign Agents Registration Act; FEC, the Federal Election Campaign Act. We have information from the catalog of public hearings and witnesses and affiliations that are listed in the Congressional Record. We have depositories for information about foreign agents collected in accordance with the House and Senate rules. So, what we really have is a mosaic out there. There is no one place to go to collect all the information that we need on foreign lobbying. So, being fragmented, it almost prevents our ability to scrutinize what is actually happening with the people who are foreign agents and representatives.

In order for the proposal to work, however, it will be necessary to improve the reporting and enforcement of FARA. Our proposal is aimed at ensuring that there is no misinformation or misrepresen-

tation, as was pointed out by hearings that were held by Senator Levin.

A 1990 report done by the GAO that says that 775 people are registered as foreign agents, when in truth we know there are thousands of people out there who are foreign agents. One thing that we want to address is the exemption for lawyers who are able to take an exemption from registration without even having to file an exemption certificate or notification. But, many lawyers in town are really principally hired as lobbyists, and because they do not register under FARA we have no knowledge of who they represent. They can just always call upon the exemption that they have, which doesn't even have to be filed.

What this bill does is to create a paper trail where these people do have to file their exemptions and request an exemption as foreign agents. Then, at least, we will know who they represent and where the players are. Now that's the least that can be done.

If I ask what is the most that can be done, it is that they be treated like everyone else and that there be no exemption whatsoever. But, at least we can have an exemption registered and requested by the individual which notifies the Department of Justice that he or she is, indeed, representing a foreign entity.

H.R. 806 would also create civil penalties from $2,000 to $5,000 depending upon the violation. We have criminal penalties in FARA now, but because of its severity the criminal penalties are rarely exercised. Therefore, in effect, they are useless. So, there's no sanction whatsoever. This calls upon civil penalties which would be more inclined to be used.

The bill would also provide the right of subpoena by the administrative agency and judge, so that we could at least have law enforcement over the provisions of the statutes thus enabling the Department of Justice to collect the information and marshal the data that's necessary to determine whether or not there had been any violations of the act.

It also calls for quarterly reports instead of semiannual reports. H.R. 806 doesn't require a lot of additional information, it just requires more timely reporting, full reporting, and reports that would take place quarterly, so people can immediately find information that they need, that they seek, to find out who's representing whom.

So, what we're really calling for is more openness in our entire system and a clearinghouse that can really reform FARA by collecting all the information in one place. It's a like a one-stop, one-shop operation. Once people have information, they can then make better informed choices. Without accurate information, American policy and politics would be subject to more manipulation.

It's my hope that you would include the provision for an affirmative request for an exemption from the Justice Department, civil penalties, a quarterly filing requirement, and the right of subpoena by the administrative judge in any revision of FARA. I think the clearinghouse is necessary and is essential if we're going to have information assembled in a meaningful manner. Sunshine is the best disinfectant, and I really commend those provisions of our bill to you.

I have a longer statement which I'd like to include——

Mr. FRANK. Without objection, it will be made a part of the record.

Mr. FRANK. Thank you all.

[The prepared statement of Mr. Guarini follows:]

TESTIMONY OF REP. FRANK J. GUARINI (D-NJ)
BEFORE THE SUBCOMMITTEE ON ADMINISTRATIVE LAW
AND GOVERNMENTAL RELATIONS OF
THE HOUSE JUDICIARY COMMITTEE

JULY 24, 1991

Mr. Chairman and members of the Subcommittee, I commend you for holding this hearing today on the Foreign Agents Registration Act (FARA).

Efforts by foreign interests to influence U.S. policy and politics have grown considerably in the past twenty years.

Over 100 foreign corporations have established political action committees (PACs) through their American subsidiaries. These PACs contribute millions to political campaigns. The amounts spent in contributions, however, pale in comparison with the hundreds of millions of dollars spent each year on lobbying and public relations efforts trying to shape the policies established by the United States government.

The Foreign Agents Registration Act, the Federal Regulation of Lobbying Act and the Federal Election Campaign Act of 1971 -- the statutes that are supposed to regulate, monitor and collect information that will prevent from among other things, undue foreign influence in U.S. politics -- clearly are not working as intended. One of the main problems is that, despite the public disclosure demanded by these statutes, foreign influence continues to be exercised, for the most part, in secret.

H.R. 806, the Foreign Ethics in Lobbying Act, a bill that I introduced jointly with Rep. Kaptur, provides simple yet effective solutions to address the problem of secrecy and inadequate disclosure. I would like to confine my remarks today to provisions in the bill which relate to ensuring compliance under FARA and the proposal to create a clearinghouse at the Federal Elections Commission (FEC) for information about actions taken on behalf of foreign interests.

Right now, information on lobbying and contributions made on behalf of foreign interests is, in theory, available to the public. However, the information is scattered throughout various agencies in the federal government, making it very difficult to monitor and very difficult to track. Lobbying reports which contain information about lobbying on behalf of foreign subsidiaries are filed with the Clerk of the House. PAC information is at the Federal Elections Commission. Foreign agent reports are at the Department of Justice and so on.

Because the information is located in so many places and because of the difficulties that are often encountered in trying to get the information, the forces of public opinion and disclosure that are supposed to act as a counterbalance to curtail excessive influence are inoperable. Meaningful analysis of lobbying efforts is effectively discouraged because the information that is purportedly available to the public is so difficult to obtain and often incomplete.

It is my firm belief that the present situation is worse than having no disclosure requirements at all. The illusion of disclosure that presently exists results in a dangerous level of complacency because the public is led to believe that these lobbying activities are occurring in the open and are being regulated by public scrutiny. In practice, however, the disclosure statutes are virtually meaningless -- there is much that we do not know about lobbying campaigns and efforts to sway American public opinion and public policy.

H.R. 806 can restore meaning to the notion of disclosure through the creation of a information clearinghouse at the FEC and provisions to tighten up the enforcement of FARA.

The FEC clearinghouse envisioned in the legislation would provide a single location for information on activities made on behalf of foreign interests. Information that is presently collected under (1) the Federal Regulation of Lobbying Act; (2) the Foreign Agents Registration Act; (3) the Federal Election Campaign Act; (4) the catalogue of public hearings, hearings witnesses and witness affiliations as printed in the Congressional Record; (5) existing public information disclosed pursuant to disclosure rules of the House of Representatives; and (6) existing public information disclosed pursuant to disclosure rules of the Senate would all be housed at the FEC.

This proposal would not change the point of collection for these reports and filings. Once the responsible agency or office receives a filing that relates to an activity made on behalf of a foreign interest, a copy would simply be forwarded to the clearinghouse to be indexed and compiled. No judgments about the content of the information would be made for the information would simply be organized in a meaningful fashion.

The protection of individual privacy rights is of the utmost importance to me and as such I have carefully looked into the ramifications of creating a computerized information clearinghouse. The reports and filings that would be collected at the FEC under my proposal are of a business nature and, from my understanding, would not violate First Amendment or privacy rights.

The beauty of having a clearinghouse at the FEC is that it will make the information that is presently being collected accessible and available to the public without increasing disclosure, reporting burdens or adding any extra reporting steps for the persons responsible for filings.

In order for this proposal to work, however, it will be necessary to improve reporting and enforcement of FARA. Under present law, there is considerable abuse of the exemptions for registration. Many who should be registered are not.

A 1990 report by the General Accounting Office found that only 775 people are registered as foreign agents while the number of people who actually lobby on behalf of foreign interests is known to be in the thousands. A recent investigation by Sen. Levin's Subcommittee on Oversight similarly revealed broad noncompliance and misrepresentation.

There are several exemptions for registration as a foreign agent. Individuals who are involved in diplomatic, commercial, academic, humanitarian and legal activities are exempt from registration. The legal exemption is particularly broad covering --- "any person qualified to practice law, insofar, as he engages or agrees to engage in the legal representation of a disclosed foreign principal before any court of law or any agency of the Government of the United States; provided, That...legal representation does not include attempts to influence or persuade agency personnel or officials other than in the course of established agency proceedings, whether formal or informal."

The difference between "legal work" and "lobbying" often ends up being decided not by the content of the work but by whether the person performing the work is an attorney or not. What may be lobbying if performed by a non-attorney, ends up being called legal work when performed by an attorney. And, under present law, the lawyer is under no obligation to inform the Department of Justice that he or she is indeed representing a foreign client but declaring an exemption from registration under FARA.

One straightforward solution that would do much to provide more information about this type of lobbying as well as improve compliance with FARA would be to require an active request for exemption from registration under FARA. An active request for exemption would require an individual to notify the Department of Justice that he or she is indeed representing a foreign interest but that he or she is exempt from filing as a foreign agent. The creation of this paper trail will greatly increase compliance with FARA and the disclosure provided will bring questionable exemptions under public scrutiny.

My legislation also contains provisions for civil penalties ranging from $2,000 to $5,000 for violations of registration or reporting requirements. The ability to levy such fines is necessary because, at present, the only enforcement tool available to the Department of Justice is criminal penalties. Criminal proceedings are lengthy and time consuming. Sending a foreign agent to jail for missing a filing deadline or submitting incomplete information is also somewhat of an overkill so, under present law, penalties for violations of FARA are rarely pursued.

Another provision of my bill which will help the Department of Justice more adequately enforce FARA is granting the authority to subpoena foreign agents to appear, testify, or produce records at administrative hearings. With this power, the Department of Justice will be able to require individuals to explain their actions and document their assertions.

Finally, to provide more timely information on the activities of foreign agents, my bill would change the FARA registration requirements from every six months to a regularly scheduled quarterly basis. This will bring the reporting under FARA on to the same reporting schedule as required under Federal Regulation of Lobbying Act.

Mr. Chairman and members of the Subcommittee, I do not question the right of foreign entities or individuals to present their case before the U.S. government. In fact, I strongly believe that they should be able to do so, just as we should be able to make our concerns known abroad. However, the American people, the media and government officials have an equally important right to know who is really behind the positions taken by organizations with political agendas.

Without such information, how is a member of Congress, the average American citizen, or members of the media supposed to know that groups with names like "Consumers For World Trade" or "Auto Dealers and Drivers For Free Trade PAC" have actually been established in order to promote the interests of foreign companies.

Lobbying and public relations campaigns are quite sophisticated with the true aims not always readily apparent to the target audience or person being lobbied. For example, the Auto Dealers and Drivers for Free Trade PAC sponsored a hard-hitting campaign against a candidate attacking his position on issues such as abortion while the real motivation for trying to defeat him was because of a position taken on a trade issue. If the public knew more about the group funding this campaign, they would have a context to more accurately assess and interpret the message of the material put forth by the group.

Another case in point was made in a 1981 New York Times article which revealed that Japanese interests had gained a major voice in a public interest group called Consumers for World Trade. Apparently Japanese auto companies had actually enrolled their American employees in the group in order to give the organization an "American Face". The Subaru company even paid the initial membership dues of $15 for 1,500 of its employees and because of this corporate sponsorship, at one time Subaru's employees represented more than half of the group's membership.

The openness and democratic nature of the political system in the United States leaves our government particularly vulnerable to leverage by foreign interests. Open and meaningful disclosure about who is funding lobbying campaigns is clearly the best way to provide a counterbalance and prevent undue influence. The proposals in HR 806 for an FEC clearinghouse and for reform of FARA will provide an uncomplicated, inexpensive and effective way to take a giant step in this direction.

Once people have information, they can make informed choices -- without accurate information, American policies and politics will be subject to manipulation. It is up to the Congress and the Administration to revise the relevant statutes to remove the cloak of secrecy from the lobbying activities of foreign interests.

Mr. Chairman, I know that this Subcommittee as well as some of our colleagues in the Senate are looking toward a comprehensive review of FARA perhaps in conjunction with reform of the lobbying statutes. It is my hope that you will include an affirmative request for exemption, civil penalties, subpoena powers and quarterly filing requirements for foreign agents as a part of the reform. This would greatly enhance the effectiveness of my proposal for an FEC clearinghouse to store and make available all the information presently being collected at various offices in the government and will bring much needed disclosure to attempts by foreign interests to influence U.S. policies.

Sunshine is the best disinfectant. I urge your support for H.R. 806 and its provisions for responsible disclosure.

Mr. FRANK. Let me ask you just one question, which I ask any or all of you to comment on. As I read through the statements here, I see in the statement of Mr. Gibson from the State Department and then from Mr. Neill from Neill & Co., from Mr. Richardson on behalf of the Association for International Investment, one central point, which is their objection to treating representatives of foreign interests any differently than American interests. People say, well, if this is a good thing to do, why not for everybody? Would any of you want to address what I think is a threshold question as we deal with this? What is the justification for making any differentiation in the law—and I realize the law already does make one—for continuing, deepening, or whatever, between lobbying activities on behalf of purely domestic ownership and lobbying activity where there is a substantial foreign ownership interest?

Mr. GLICKMAN. Well, in fact, we have made the distinction. It's been the law for 60 years already. So, we've said that there are political and economic reasons served in this country by recognizing that foreign interests may have as their goals ideas for America which are different from domestic interests. It may be political; it may be economic, but in the area of economic and political security in this country, foreign interests may be different than domestic interests. Therefore, what we are asking for is more adequate disclosure of those foreign interests. In hundreds and hundreds of areas of our law, we treat foreign interests differently than domestic interests. In defense proposals, securities, futures, you name it, we differentiate that.

The goal here is not to keep foreign investment out of the country; it's to require disclosure, to see if a problem takes place. That's all.

The other point I would make, Mr. Chairman, is that in fact experts have told me that the burdens of requiring disclosure and lobbying domestically are more onerous than they are on foreigners. For the most part, that is domestic lobbying laws are more prophylactic in terms of their requirements for disclosure than foreign ownership and foreign representation is. There is a lot of confusion here. All we want to do is take an existing statute that the Congress has repeatedly said is useful—it's on the books; it serves the motives of the United States—and make it more clear. And, in doing so, I don't think that foreign investment is jeopardized; I don't think that free trade is jeopardized. I do believe, however, that the people of this country of ours deserve to know who is representing foreign interests in this country.

Mr. GUARINI. I might say that we are a very open democracy and, as a result, we are extremely vulnerable from all sides, being as open as we are. The very reason that we passed this law in 1938, as I indicated, was for national security reasons. At that time, it was the threat of the Nazis and the war that did emanate 1 or 2 years later in 1939.

The very purpose of the act in the first place is the same purpose that we have today. National security—the only difference is that the source is different. I do think that our policies should be shaped by our people who vote. We take money in political campaigns from our people; we don't take money from foreign entities

for that same particular reason. So, you can see there is a differentiation that does exist.

Mr. FRANK. Any others? Ms. Kaptur.

Ms. KAPTUR. I would just agree with my colleagues, but I might just add a postscript. Mr. Chairman, if you and your membership are inclined to strengthen the domestic lobbying laws, I would be the first one to support you, so that there is some parallelism. But, I do regard this particular area as one where the information is so scattered and incomplete, and with the changes in the trade balance and so forth, and if you look at the GNP of our country versus others, there are some severe pressures on us now as a result of lobbying that is coming from foreign interests in this country. I think our people have a right to know what those are. But, I would certainly encourage you to also look at the domestic lobbying.

Mr. FRANK. Thank you. One of the things I'm going to ask the staff to do—and if any of you have this information, you might submit it. The State Department raises questions with regard to reciprocity and international obligations. I'd be interested in what other countries do in this regard. I think we will ask the Library of Congress to help us with that. [See appendix.] If any of you have such information, that would also be useful. What are the rules that exist that cover activities on behalf of Americans in other countries?

Mr. GUARINI. May I say, Mr. Chairman, the clearinghouse that Marcy Kaptur and I have proposed would be also an excellent idea to use for disclosure of our domestic lobbying, too. It shouldn't just be limited to foreign agents. If we have one place where we can congregate and assemble all the information, people can make informed judgments as to where that particular lobbying is coming from and how they should react to it.

Mr. FRANK. I thought you were going to say we would have one place to assemble all the lobbyists, and I was going to suggest that your committee ought to serve that function.

[Laughter.]

Mr. Gekas.

Mr. GEKAS. I thank the Chair.

I have some concerns on this issue which I will make clear as we move along in the process, but I ought to register them with you now, so that you can help me overcome them, if possible. One is I'm not as convinced as Dan Glickman seems to be that this whole series of proposals that is made by your panel would not staunch foreign investment and would not act, as he seems to imply, as a chilling factor in the foreign investment, for which many of us continue to yearn while we're in this horrendous deficit. That's the No. 1 concern. Throughout the whole consideration of these issues, I have to be convinced that that is not the case.

Second, the Congress in 1966 acted on a couple of these very same concerns which you seem to want to polish perhaps a little more, but I'm not convinced that that polishing at this moment is required. For instance, on the attorney exemption, the law that was amended back in, I guess, 1966 when Emanual Celler was the chairman of the Judiciary Committee, the hallowed Mr. Celler, the attorneys' exemption was rather well-defined. I'm afraid, from

what Frank was talking about in the exemption—were you talking about the attorneys' exemption?

Mr. GUARINI. I'm saying keep the exemption as it is, but at least let the lawyers notify the Department of Justice by filing a paper stating that they are taking the attorneys' exemption.

Mr. GEKAS. That exact point bothers me, only because it would require, as I envision it, that there be a possible separate judiciary disposition of a request for an exemption which could go up to the Supreme Court.

Mr. GUARINI. No——

Mr. GEKAS. What I'm saying is——

Mr. GUARINI. You're right.

Mr. GEKAS [continuing]. What you're building into the process——

Mr. GUARINI. No, you're right, George.

Mr. GEKAS [continuing]. Is another judicial administrative process.

Mr. GUARINI. Maybe I overstated. What the bill says is all they do is send in a letter. It doesn't have to be approved. They just send a letter saying that we represent so and so and are complying with the law requiring filing for the attorneys' exemption, period. That's all. No form, nothing has to be approved of. At least we know that that lawyer is representing that foreign entity.

Mr. GLICKMAN. May I just make a point?

Mr. GEKAS. Yes.

Mr. GLICKMAN. Currently, there is no blanket lawyers' exemption, you know; there are limits to it. But, the real problem is in the area of administrative proceedings. The current exemption allows lawyers to essentially represent foreign interests before administrative proceedings without registration. Now think about it. That's USTR in some cases; it could be the Interior Department in connection with the operation of concessions at a national park; in connection with the acquisition of a major movie studio by a Japanese electronics concern; where off-the-record discussions take place and deals are made.

The point is that while the current exemption is not blanket, there is a whole area in which the exemption permits no registration whatsoever, and deals are made at this level, and that is wrong. So, my proposal allows the exemption to essentially cover only administrative proceedings before the Patent and Trademark Office, where proceedings are secret and before a court of law.

Mr. GUARINI. Well, I don't think the law excludes lawyering. In other words, if it is a legal case for diplomatic, for academic, for humanitarian purposes, for legal, there is no registration in the Foreign Agents Registration Act. But, in an area where so many lawyers here in Washington take the fee from the client and they say to themselves, well, since I can slide by registering by using the attorney's exemption.

Mr. GEKAS. That's not quite the case, I don't believe, Frank.

Mr. GUARINI. Well, that's my understanding.

Mr. GEKAS. I can't envision many situations in which an attorney going before an agency or before an individual Member of Congress will not be saying, "I represent that company"——

Mr. GUARINI. Oh, no.

Mr. GEKAS [continuing]. That foreign interest.

Mr. GUARINI. No. Eventually he will show up and then you will know. But, I'm saying that the law does not require him to even say in advance that he is representing the foreign entity.

Mr. GLICKMAN. If I may just add——

Mr. GUARINI. He just takes the exemption automatically.

Mr. GLICKMAN. If my colleague will yield—the law says now if a lawyer comes up here to lobby on behalf of a client, theoretically he's required to register right now.

Mr. GUARINI. But I'm talking about what occurs in practice, the fact is, most of them do not register.

Mr. GLICKMAN. In most cases it doesn't happen; we know that. It doesn't happen very much in the domestic area as well.

But, where an exemption exists for lawyers before administrative agencies, that is wrong. That's where most of the deals are cut.

Mr. GEKAS. "Defines legal representation and excludes attempts to influence or persuade agency personnel or officials other than in the course of established agency proceedings."

Mr. GLICKMAN. Yes, well, that's a formal administrative proceeding, but——

Mr. GEKAS. Yes.

Mr. GLICKMAN [continuing]. What I'm saying is that if there is a proceeding taking place, even off-the-record discussions during that proceeding are exempt from registration under FARA, and that's what happens all the time. Usually these proceedings are not——

Mr. FRANK. If the gentleman would yield—I wonder, we might be arguing over something that's not of any great moment, because presumably if you are representing a client before an agency, there's a formal filing of the fact that you are representing that client before that agency. So, maybe we're just talking about taking that one piece of paper and sending it somewhere else. It doesn't sound like there's any new breach of privacy thing. In that case, I wouldn't see any problem with saying, OK, send that piece of paper over here.

Mr. GEKAS. I just think it might be—I'm reticent in abandoning some of the procedures that are already set that we don't have any evidence are not working. If we have a record of abuses in that regard, then we ought to put that into the——

Mr. GLICKMAN. George, it's estimated that anywhere between 70 and 95 percent of all required filings theoretically under the law are just not made. People are not filing under FARA. The data is partially anecdotal, partially talked about by the GAO, and we don't know the answer to your question; that's one of the big problems.

Mr. GUARINI. George, may I just for the record state that in my statement, my long statement that I submitted for the record, I quote the law. I said the legal exemption is particularly broad in covering "any person qualified to practice law insofar as he engages or agrees to engage in a legal representation of a disclosed foreign principal before any court of law or any agency of the Government of the United States, provided that legal representation does not include attempts to influence or persuade agency personnel or officials other than in the course of establishing agency pro-

ceedings, whether formal or informal." That's the law in our statute.

Mr. GEKAS. I know there are many people from my general experience——

Mr. FRANK. I guess there are two separate questions we should look at. One is the extent to which there is lax enforcement of the current law, and then a second question as to whether or not we're able to get good enforcement of the current law, whether you need to go further. I think there's a linkage, though, because I think the argument that our colleagues are making is that, because there is some exemption, it then becomes hard to enforce those areas where there is no exemption because you get into a gray area.

Mr. GUARINI. A gray area.

Mr. FRANK. But, those are questions we all have to look at.

Mr. GEKAS. But, that is correct; that is my concern about many of the provisions that you offer, and that is, if it's the case, why do not the present statutes result in enforcement of some of these lapses which you describe?

Ms. KAPTUR. Mr. Gekas, I would like to submit for the record the 1990 July GAO study on foreign agent registration. They specifically identify what is not being enforced. I won't belabor it during the hearing, but they do make several recommendations.

They do say that the direction given to Justice is unclear, and they are looking for congressional guidance in order to tighten up the administrative procedures for a filing, and they do go through all of the exemptions and show how the reports come in late. There's really no enforcement that occurs over at Justice and the procedures need clarification. So, I think I would say to your statement that, "1966, why do we need to improve it? There's no reason"—I think this is one of the best reports. We will submit this for the record.

Mr. FRANK. Let me just say as far as the record, I would ask unanimous consent to take the summary of that, the executive summary, and put it into the record and then reference the rest, so that we don't have to print the whole thing.

Mr. GEKAS. That's fine.

[The information follows:]

United States
General Accounting Office
Washington, D.C. 20548

National Security and
International Affairs Division

B-240379

July 30, 1990

The Honorable Carl Levin
Chairman, Subcommittee on Oversight
of Government Management
Committee on Governmental Affairs
United States Senate

Dear Mr. Chairman:

In response to your request, we have updated our 1980 report[1] on the Department of Justice's administration of foreign agent[2] registration. Our objectives were to determine whether (1) the recommendations made in our 1980 report have been implemented and (2) foreign agents are complying with the law by registering with the Department of Justice, by fully disclosing their activities, and by filing required reports on time. We also reviewed the adequacy of the Justice Department's disclosure criteria and guidance.

In our 1980 report, we recommended that the Attorney General seek legislative authority to (1) require written notification to the Justice Department of all exemption claims prior to any agent activity and (2) give the Justice Department additional enforcement measures (such as administrative subpoena powers, a schedule of civil fines for minor violations, and increases in existing fines).

The Department of Justice has not implemented the recommendations we made in our 1980 report. As a result, the Department has no information on exemptions and still has limited enforcement authority.

The administration of foreign agent registration has remained a problem. The Justice Department currently maintains files on approximately 775 foreign agents. Our review of Justice's files on a random sample of 46 of these agents indicated that one-half of them had not fully disclosed their activities; over one-half registered initial forms late; and over one-half filed their required semiannual reports late.

We also found that the Justice Department's disclosure criteria is unclear. Both foreign agents and the Justice Department officials who review the agents' registration forms lack specific written guidance on what should be reported. The questions on the semiannual supplemental statements are general and do not specifically require the information necessary to satisfy the act's disclosure requirements.

In addition to reaffirming our 1980 recommendations, we further recommend that the Attorney General direct the Registration Unit to take the following actions:

Develop standard disclosure criteria for reporting under the act; provide specific guidance to agents and agency personnel on the criteria and how information should be reported; and enforce compliance with the criteria.
Revise the supplemental statement to better reflect the requirements of the act as well as the standard criteria.

The Department of Justice uses the lack of authority as a reason for not taking action to enforce the law but has not sought the needed legislative authority. Therefore, the Congress may wish to consider amending the Foreign Agents Registration Act of 1938, as amended, to give the Department of Justice the authority to:

Subpoena foreign agents to appear, testify, or produce records at administrative hearings.
Impose administrative fines for minor violations against those who, after being directly informed of their obligation to report, still fail to do so.

This report was prepared under the direction of Allan I. Mendelowitz, Director, Trade, Energy, and Finance Issues. He can be reached on (202) 275-4812 if you have any questions about this report. Other major contributors are listed in appendix II.

Sincerely yours,

Frank C. Conahan
Assistant Comptroller General

[1]Improvements Needed in the Administration of Foreign Agent Registration (ID-80-51, July 31, 1980).

[2]The term foreign agent means any person who acts or engages or agrees to act as a public relations counsel, publicity agent, or as agent, servant, representative, or attorney for a foreign principal or for any domestic organization subsidized directly or indirectly, in whole or in part, by a foreign principal.

Mr. GEKAS. But, I still, even from what your——

Mr. GLICKMAN. May I just make one comment?

Mr. GEKAS [continuing]. Description was, Marcy, what you read there, it doesn't call for wholesale firing out the present law and instituting new provisions. It may be tightening up the procedures within the Justice Department for followup and enforcement of the existing law, but that's my conservative view of the process.

Mr. GUARINI. Well, I think civil penalties are very necessary to improved enforcement.

Mr. GLICKMAN. We're not talking about wholesale changing the law. But, as Frank said, if the only remedy is a criminal remedy, which is what you have under FARA right now, it discourages enforcement, particularly of more minor violations. That's why having a civil remedy would help.

Mr. GEKAS. Which brings me to my last consideration. I worry about the establishment of a new administrative law body and agency within the State Department—I mean within the Justice Department—for followup on this particular act of law.

Mr. GLICKMAN. We did the same thing under the Ethics in Government Act.

Mr. GEKAS. Well, that doesn't mean that it's correct.

Mr. GLICKMAN. No, but what we did was recognize that the Government ought to have more power than just to send somebody to the penitentiary if they make a mistake.

Mr. GEKAS. You brought up a very tantalizing issue, and there will be a lot of debate on it. I now excuse myself from this hearing. Thank you.

Mr. FRANK. Mr. Ramstad.

Mr. RAMSTAD. I have no questions, Mr. Chairman.

Mr. FRANK. Thank you. I thank the panel. I would just note, as this shows, this is one of these issues I think in which, because of the nature of our work, we have a good deal of expertise among ourselves and I expect that we will be continuing these kinds of discussions. I thank the Members for being willing to participate. I think this has been very helpful.

Mr. GUARINI. Mr. Chairman, the clearinghouse concept is an inexpensive, uncomplicated, and very simple solution to, because all you're doing is just assembling everything in one place.

Mr. FRANK. I guess you couldn't put it in the Tax Code, then, so we'll have to take care of it.

[Laughter.]

Mr. GUARINI. Right.

Mr. FRANK. We will next hear from our administration panel. I would ask them to come up together. We'll take their statements and their questions together.

Mark Richard is the Deputy Assistant Attorney General of the Criminal Division, and he is accompanied by Joseph Clarkson, who is Director of the Registration Unit. Stephen Gibson is Director of the Office of Investment Affairs, Department of State.

STATEMENT OF MARK RICHARD, DEPUTY ASSISTANT ATTORNEY GENERAL, CRIMINAL DIVISION, DEPARTMENT OF JUSTICE, ACCOMPANIED BY JOSEPH CLARKSON, DIRECTOR, REGISTRATION UNIT

Mr. RICHARD. Thank you, Mr. Chairman. My name is Mark Richard. I'm Deputy Assistant Attorney General with the Criminal Division of the Department of Justice. I oversee the operation of our Internal Security Section which is charged with the responsibility of administering the Foreign Agents Registration Act. The head of the unit which does, in fact, administer the act is Joseph Clarkson, who is on my right, and has been fulfilling this responsibility for many years.

With your permission, Mr. Chairman, I would merely summarize my lengthy statement and submit the statement for the record.

Mr. FRANK. Without objection, we'll accept it.

Mr. RICHARD. Thank you, Mr. Chairman.

I would like to mention at the outset that the Department has forwarded a proposed bill to Congress in June 1991 which contains a number of provisions suggesting revision similar to that contained in H.R. 1725. We at the Department of Justice look forward to working with the committee staff in the joint endeavor to modify and strengthen the disclosure requirements of the act.

The history of the act has already been alluded to, and I won't dwell on it. I'll go right to the analysis of——

Mr. FRANK. I appreciate that. That will be part of the record. I thank you.

Mr. RICHARD. Thank you.

The Department has no objection to changing the term "agent of a foreign principal" to "representative of a foreign principal" or the term "political propaganda" to "political promotional or information materials." Similarly, since "agent" and "representative" are synonymous and the definition of either word would include a range of relationships, the Department sees no difficulty in changing the title of the act and one of its key terms from "agent" to "representative."

The bill expands, however, the scope of representative of a foreign principal to include a much broader range of activities and also expands the coverage of the act by its change in the definition of political activities. The bill would include within the definition of a representative of a foreign principal a person who engages in political activities for the purpose of furthering commercial, industrial, or financial operations with a foreign principal.

Under current law, the Department must establish both that an agency relationship exists and that the activities are for or on behalf of the foreign principal, a much narrower class of representatives. This represents a reversal of the congressional choice reflected in the 1966 amendments for the widest possible commercial exemption and would, in fact, require the registration of American subsidiaries of foreign parents which are currently exempt from the registration and disclosure provisions of the act. It, in effect, as we analyze the proposal, creates a whole new category of possible registrants based on a new agency relationship which is not necessarily dependent on the issue of control or supervision.

Similarly, under current law, a domestic person may engage in the political activities defined by the bill, but is only required to register if the person is acting solely in the interest of its principal. The legislative history establishes that the intent of the 1966 amendments was to ensure the activities by an agent in its own behalf, which also benefited its parent, were not sufficient to trigger registration under the act.

The bill also expands the coverage of the act by changing the definition of political activities to include attempts to influence a person with reference to enforcing or changing the domestic or foreign laws and regulations of the United States. Under current law and practice, an attempt to instigate or influence an enforcement action, while political in the popular sense, is not covered by the act since it is treated under the rules of FARA as seeking merely administrative action in a matter where the basic law or policy is not in question.

This provision concerns us because we fear that it would have a chilling effect on the voluntary reporting of violations of Federal laws. Conceivably, individuals who now currently have no obligation to register would incur such an obligation if they chose to report suspected violations of various laws to the Department of Justice and seek enforcement action by the Department of Justice.

The Department also understands that the bill would change the definition of representative to specify in percentage terms when a foreign principal is considered to control a person in major part and recognizes that this is a legislative attempt to expand the reach of the act over multinational corporations.

With respect to the impact such a provision would have on our economic situation and the impact on foreign relations, we at the Department of Justice will defer to our colleague from the Department of State as to the advisability of including such provisions in any revision of FARA.

H.R. 1725 also adds a new exclusion for certain tax-exempt, nonprofit membership organizations registered under the Lobbying Act whose activities and funding are wholly domestic. We have no objection in principle to this concept, but point out that some of the requirements as currently set forth in the proposal we think are unenforceable, especially those that specify that in order to qualify, all contributors must be U.S. citizens. That is what we appreciate to be reflected in the current bill.

H.R. 1725 also amends the definition of the term "political consultant." Under current law, a political consultant who disseminates political propaganda is engaged in political activities and must register, but the bill goes beyond the requirements of the current dissemination requirements of FARA and would even extend to hand-delivery of such material to officials of the Government. In this respect, the Department of Justice would have no objection to such a provision.

The bill also narrows the circumstances in which a representative can claim an exemption under section 3(d)(2) of the act for activities not serving predominantly a foreign interest by adding an additional proviso to 1(q) requiring that such activities not involve the representation of the interest of the foreign principal before any agency or official of the Government other than providing in-

formation in response to official requests. With respect to this provision and its potential impact on the economic situation, I will again defer to the Department of State as to its feasibility and desirability.

The Department supports the provision of the bill seeking the repeal of section 3(f) since no countries have been designated under this provision since 1946.

The Department welcomes an amendment to the section 3(g) exemption to clarify the intent to restrict the exemption to attorneys who give legal advice, appear in court, or appear on the record in formal administrative proceedings or nonlegislative congressional hearings. In our opinion, the exemption should not cover lawyers who appear before Congress on legislative matters generally, lobby the executive or legislative branch, or argue their client's case to the public.

Apropos the prior discussion, Mr. Chairman, we believe that an exemption for attorneys who appear before agencies and are on the record is an appropriate exemption. I think the confusion from our experience lies in the concept of formal or informal. We think once there is a public disclosure of the relationship on the record, there is no reason to exclude administrative hearings from the exemption any more than you would want to exclude litigation appearances before courts. So, we think the disclosure made on the record, available to the public for scrutiny, is adequate. In that context, we would support amending the exemption, if you will, to narrow it, but still leave it available for formal administrative proceedings.

The Department has reexamined its position with respect to the concept of requiring a person who seeks to rely on an exemption to notify the Department of Justice of that reliance. We have previously expressed concerns that this provision would shift our focus from identifying individuals who had an obligation to register to verifying those who claim that they were exempt. We were concerned that this would, in effect, dilute the enforcement effort, and we felt that in connection with other proposed amendments, including obtaining the ability to subpoena records under a civil investigative demand, we would have the enforcement tools to verify whether the exemptions are being abused.

On reflection, though, we are prepared to support, at least in the category of attorneys and commercial exemption claims, the concept of notice of the invocation of the claim to the Department of Justice as a means of providing us with a data base on which we can take whatever appropriate enforcement action we think necessary to verify the appropriateness of the exemption claim.

The Department of Justice supports the addition of civil fines as an enforcement tool. We have proposed in our bill that the Attorney General be given authority to assess fines against agents whose filings are late. Late filing by registrants defeats the disclosure provisions and purposes of the act.

We also think that the change of reporting dates, together with the proposal that the Attorney General be given authority to assess significant fines, would give the Department both the carrot and stick it needs to resolve the problem of late filings. We have, however, difficulty with the language of H.R. 1725 that would ad-

ministratively impose fines for the omission or misstatement of material facts. With respect to the imposition of fines for these failures, we believe these penalties should be imposed in a judicial context rather than requiring the establishment of a whole new administrative bureaucracy within the Department of Justice.

Let me say parenthetically with respect to the imposition of fines for the filing of false and incomplete registration statements, that we do not view this as inconsistent with existing criminal penalties for such acts, but rather as an alternative that would be available to the Department of Justice to utilize in addition to or instead of criminal prosecution.

The Department, as I already indicated, strongly supports the addition of subpoena authority and suggests that, rather than adopting the organized crime provision on this subject, we would urge that Congress adopt the type of provision drafted by the Department which is based on the more detailed antitrust provisions, just in terms of the mechanics of how it would work.

We also support that provision of the bill which would eliminate the current random reporting date system and require all agents to file their supplemental statements semiannually.

I would conclude my summary with just the addition of some other elements contained in our bill which we would urge be considered, and that is that provision which would deal with the problem of the statute of limitations. We recently had one judicial ruling which suggested that the statute of limitations runs from the date of cessation of the agency relationship, notwithstanding other provisions of the act that suggest that the statute of limitations continues until there is a filing; that is to say, the statute does not begin to run until there is an actual filing. We would like to remedy this situation by specifically indicating that the statute of limitations does not run until such time as there is a filing.

This concludes my summary, Mr. Chairman. Mr. Clarkson and I would be prepared to answer any questions that you may have. Thank you.

Mr. FRANK. Thank you, Mr. Richard. Thank you for a very specific and useful model of testimony. I appreciate it. It was exactly what we most like to get and don't always get. So, I'm particularly appreciative of it in this situation, because it is with the degree of specificity that most helps us.

[The prepared statement of Mr. Richard follows:]

PREPARED STATEMENT OF MARK RICHARD, DEPUTY ASSISTANT ATTORNEY GENERAL, CRIMINAL DIVISION, DEPARTMENT OF JUSTICE

I am pleased to have an opportunity to testify before this Subcommittee with respect to H.R. 1725, a bill "to strengthen the Foreign Agents Registration Act of 1938, as amended. I believe I can provide the most assistance to this Subcommittee by commenting briefly on the history and purposes of the Act before analyzing the relevant sections affected by H.R. 1725. I would like to mention that the Department forwarded a proposed bill to Congress on June 3, 1991, which contains a number of provisions similar to those in H.R. 1725. I look forward to working with this Subcommittee in its efforts to strengthen the disclosure requirements of the Act.

HISTORY AND PURPOSES OF THE FOREIGN AGENTS REGISTRATION ACT

The initial enactment of the Foreign Agents Registration Act in 1938 was a result of the recommendations of a special committee under the chairmanship of Congressman John McCormack of Massachusetts to investigate un-American activities in the United States. The committee had studied the rise of propaganda activity by European fascist and communist governments to determine whether new means were needed to protect U.S. citizens from propaganda of foreign origin aimed at the subversion of the fundamental principles upon which our Constitution rests. A significant finding of this study was the discovery that an extensive underground propaganda apparatus had been established by the Nazi government using American firms and citizens.

The report of the House Judiciary Committee reporting out the bill - The Foreign Agents Registration Act - stated the bill was aimed to throw the "spotlight of pitiless publicity" on American propaganda agents of foreign governments. The Committee wrote that "such propaganda is not prohibited under the proposed bill" and that its purpose was to "make available to the American public the sources that promote and pay for the spread of such foreign propaganda."

In June 1938, this bill was enacted into law with little debate in Congress. The Act has been amended on several occasions, the most significant amendments occurring in 1942 and 1966. The 1942 amendments included a preface to the Act broadening its purpose to include protection of U.S. foreign policy as well as our national defense and internal security. In addition, the labeling of all political propaganda disseminated in the United States through the mails or in interstate or foreign commerce by registered foreign agents was required. Finally, the 1942 amendments authorized the transfer of the responsibility for the Act's administration for the State Department to the Justice Department.

In 1962, Senator J. William Fulbright, Chairman of the Committee on Foreign Relations, began a study on the "Non-Diplomatic Activities of Representatives of Foreign Governments" which culminated in the 1966 amendments to the Act. Senator Fulbright was concerned by the increasing number of incidents involving attempts by foreign governments or their

egents to influence the conduct of American foreign policy by techniquse outeide normal diplomatic chennels. He indicated thet groups had been organized in the United Statee, eome et the behest of foreign governmente or their egents, for the purpose of influencing U.S. foreign policy in directions designed to promote the interests of foreign organizers or eupportere. He etated thet many foreign governmente retained public reletione counselors, lew firms or other individuals to essist in bringing particuler foreign policy pointe of view to the attention of the United Stetes Government directly through the Congress end through the public et large. Senator Fulbright emphasized that the purpose of examining foreign government lobbying wes not to show that euch activity was necesearily wrong and, in fact, he pointed out that legitimate representation by U.S. citizens of foreign governments was necessery due to the complexities of internationel problems.

The 1966 amendmente, which etill form the core of the present Act, shifted the focus of the Act by placing primary emphaeis on the protection of the integrity of our Government'e decision-making procees and the right to identify the sources of foreign political propagande.

The current Act: (1) definee who must regieter with the Department as a foreign egent; (2) specifiee how euch agente ere to regieter and report on their ectivitiee; (3) exempte certain types of foreign egente from rsgistretion; (4) has specific filing end lebeling requiremente for politicel propegande

disseminated by registered agents; (5) requires all registered agents to preserve books of account and other records on all their activities and to make these records available for inspection by the officials responsible for enforcing the Act; (6) provides for public examination of all agents' registration statements, reports, and political propaganda filed with the Department; (7) imposes penalties for willful violation of the Act or related regulations, and (8) specifies certain administrative and judicial enforcement procedures available to the Attorney General.

The provisions of the 1966 amendments that would be affected by H.R. 1725 are:

1. The term "agent of a foreign principal" is changed to "representative of a foreign principal"; "political propaganda" to "political promotional or informational materials"; "representative of a foreign principal" is redefined to include a broader range of political activities and to specify in terms of percentage of control when a foreign principal shall be considered to control a person for purposes of the Act. Section 1(d) of the Act would add a class of persons to be excluded from the new definition of representative and redefines the terms "political activities" and "political consultant", bringing them into sharper focus.

2. The commercial exemption provided for in the current Act would be significantly narrowed.

3. Tha exemption for attornays would be rastricted to appaarancee before tha courts of law and ths Patant and Tradamark Office.

4. Adminietretivaly imposad civil finss and tha authority to iseua civil investigate demands (CID) would be added to tha preeent enforcemant tools.

ANALYSIS OF H.R. 1725

The Department supporte efforts to clarify and etrangthan the ragietration and enforcement requiremente of tha Act, and in particuler supports the addition of civil finas and the addition of CID authority to tha Act. As aarliar mentionad, the Department hae drafted a bill including its own CID provision and submittsd it to Congrass, and stands raady to work with thie Subcommittaa on legislation to amend FARA.

The Departmsnt hae no objection to changing the tarm "agant of a foraign principal" to "raprasantativa of a foraign principal" or the tarm "political propaganda" to "political promotional or informational matarials". The Departmant successfully dsfanded the earlier lagislativa choica of tha tarm "political propaganda" in the Unitad Statae Suprema Court, but ws have no objection to this change. Similarly, sinca agent and repreeentativa ara synonymoue and tha definition of aither

word would include a range of relationships, the Department sees no difficulty in changing the title of the Act and one of its key terms from agent to representative.

The bill expands the scope of "representative of a foreign principal" to include a broader range of activities and also expands the coverage of the Act by its change in the definition of "political activities". The bill would include within the definition of a "representative of a foreign principal" a person who engages in political activities for the purpose of furthering commercial, industrial, or financial operations with a foreign principal. Under current law, the Department must establish both that an agency relationship exists and that the activities are for or on behalf of the foreign principal, a much narrower class of "representatives". This represents a reversal of the congressional choice reflected in the 1966 amendments for the widest possible commercial exemption and would require the registration of American subsidiaries of foreign parents which are currently exempt from the registration and disclosure provisions of the Act.

Under current law, a domestic person may engage in the political activities defined by the bill but is only required to register if the person is acting solely in the interests of its principal. The legislative history establishes that the intent of the 1966 amendments was to ensure the activities by an agent in its own behalf which also benefited its foreign parent were not sufficient to trigger the registration of the agent.

The bill also expands the coverage of the Act by changing the definition of "political activities" to include attempts to influence a person with reference to enforcing or changing the domestic or foreign laws and regulations of the United States. Under current law and practice, an attempt to instigate or to influence an enforcement action, while "political" in the popular sense, is not covered by the Act since it is treated by Rule 100(e) as seeking administrative action in a matter where the basic law or policy is not in question. The inclusion of efforts to influence enforcement actions in the definition of political activity concerns us. We fear that this could have a chilling effect on the voluntary reporting of violations of the federal laws. Attempts to influence the content of regulations have been exempt under the same regulation as well as under the exemption for attorneys, as long as the attorneys stay within established agency proceedings. Except as noted, the Department has no objection to the inclusion of these activities within the statutory scheme. We do believe that the word "foreign" should be used only in conjunction with the word "policy."

The Department also notes that the bill would change the definition of "representative" to specify in percentage terms when a foreign principal is considered to control a person in major part and recognizes this as a legislative attempt to expand the reach of the Act over multinational corporations. While this

provision does not present any administrative difficulties from the Department's standpoint, I will defer to the Department of State as to advisability of including such a provision in FARA.

H.R. 1725 adds a new exclusion to section 1(d) of the Act for certain tax-exempt nonprofit membership organizations registered under the Lobbying Act whose activities and funding are wholly domestic. The Department welcomes congressional assistance in delineating the situations in which international groups, including bilateral chambers of commerce, trade unions, consumer groups and political organizations are exempt or excluded under the Act. We stand ready to work with the Subcommittee on this issue in establishing workable criteria to enable the organizations and the Department to resolve the degree, if any, of foreign control or subsidy.

H.R. 1725 amends the definition of the term "political consultant" to include anyone with the requisite relationship who distributes political promotional or informational materials to an officer or employee of the United States Government in his capacity as such an officer or employee. Under current law, a political consultant who disseminates "political propaganda" is engaged in political activities and must register, but the bill goes beyond the requirements of dissemination set out in section 4 of the Act and would include hand delivery of an argument to such an official. Again, the Department would have no objection to expanding the Act in this fashion.

H.R. 1725 also narrows the circumstances in which a representative can claim an exemption under section 3(d)(2) of the Act for activities not serving predominantly a foreign interest by adding an additional proviso to section 1(q) requiring that such activities not involve the representation of the interest of the foreign principal before any agency or official of the government of the United States other than providing information in response to official requests or as a necessary part of a formal judicial or administrative proceeding. Although the Department has no objection in principle to further limiting the exemption, I will again defer to the Department of State as to the advisability of including such a provision in FARA. There may also be some ambiguity in excluding from the proviso "the initiation of such a (formal judicial or administrative) proceeding" and including as a political activity "influencing with reference to enforcing" the domestic or foreign laws, regulation or policies of the United States. There is distinction between the two, but it should be clarified.

The Department supports the repeal of section 3(f) of the Act, since no countries have been designated under this section since September 30, 1946.

The Department welcomes an amendment to the section 3(g) exemption to clarify the intent to restrict the exemption to attorneys who give legal advice, appear in court, or appear on the record in formal administrative proceedings, or nonlegislative congressional hearings. The exemption should not,

in our opinion, cover attornaya who appear before Congreaa on legialative mattara generally, lobby the Executive or Legialativa branchaa, or argue their cliant'a caae to the public. To accompliah our purpoae we auggeat atriking tha laat four worda from the currant languaga and adding the following new aentence, "Eatabliahed agency proceedings are thoae proceedings which are a mattar of public record." We are unaware of the apecial concerna of the patent and trademark attorneya which require thair wholeaale exemption from the Act.

The Departmant aupporta, with cartain reaervationa, the proviaion of H.R. 1725 requiring a peraon who doea not regiater in raliance on an exemption to notify the Attorney General of that claim. We believe thia proviaion ahould only apply to thoae exemptiona afforded by aactiona 3(d) and (g), tha ao-callad commercial and attornay exemptiona. Notification to tha Departmant by thoaa claiming exemption under aactiona 3(a), (b) and (c) would be unnecaaaarily burdenaome aince tha atatua of thaae individuala is already a matter of record with the Departmant of State. It ahould be recognized that implementation of this proviaion will raquire the commitment of the additional reaourcea neceaaary to deal with thaaa notificationa.

Tha Departmant aupporta tha addition of civil finea aa an enforcemant tool. We have propoaed in our bill that tha Attornay General be givan authority to aseaa finea againat aganta whoae filinga are late, aimilar to the authority the Internal Ravanue Servica now enjoya. Late filing by registranta defeata the

purpose of the Act. We think that the change of reporting dates, together with the proposal that the Attorney General be given authority to assess significant fines, would give the Department both the carrot and the stick it needs to resolve this problem. We have difficulty with the language of H.R. 1725 that would administratively impose fines for the omission or misstatement of material facts. We believe these penalties should be imposed judicially. The Department also suggests that unpaid late filing assessments and all other civil penalties be litigated in the appropriate United States District Court rather than in a separate administrative proceeding in which the Department is both prosecutor and judge. We stand ready to work with the Subcommittee to resolve this issue.

The Department also supports the addition of subpoena authority to the Act and suggests that rather than adopting the organized crime provision on this subject, the Congress adopt the CID provision drafted by the Department for this purpose, which is based on the more detailed antitrust provision. This language is included in the Department's proposed bill to amend the Act.

The Department supports section (b) of the bill, which would eliminate the current random reporting date system and require all agents to file their supplemental statements semiannually on July 31st and January 31st. It has been our experience that if registrants could choose their own reporting date, the vast majority would choose those in the bill. We anticipate that allowing them to so report will improve the timeliness of their

reporting. In order to achieve the most timely compliance, the Department agress that an agent with a fiscal year different than the calendar year be allowed to petition for reporting dates that will facilitate compliance with the Act. The provision in H.R. 1725 accomplishes this.

H.R. 1725 addresses a number of the problems that have arisen in the administration and enforcement of the Act since its last significant amendment in 1966. We commend the Subcommittee for undertaking this endeavor. We urge the Subcommittee and the Congress to go forward with this effort, and we stand ready to provide whatevsr assistance you may require.

In that regard, I want to conclude my testimony with a brief description of the bill that the Department has drafted and submitted for congressional considsration, along with a Section-by-Section analysis of the bill. The Department's draft bill is meant to provide us with more effective investigative tools and civil enforcement remedies necessary to ensure compliance with the Act, clarify some areas of particular concern, and make some administrative or housekeeping changss, most notably in the dates of the semiannual reporting obligations of agents. It incorporates a number of the recommendations from the recent GAO audit of the Department's administration of the Act.

The bill would amend the Act to provide the Attorney General with euthority to issue CIDs to investigate suspected violations of the Act, similar to the authority he already possesses under

the antitrust lews, and edd some new definitions to accomplish this. It would elso euthorize the impoeition of civil fines for lete regietration filinge. The bill elso changes the current eyetem of random reporting detee to e uniform syetem for updating regietretion baeed on periode that end on June 30th end December 31et reepectively, explicitly euthorizes the execution of the documents utilizing e power of ettorney, end clerifiee the circumstances in which en ettorney may cleim exemption from the Act.

Further, the bill would clarify the original intent of Congress and provide en incentive for using the Department's Rule 2 "advieory opinion" mechaniem (28 C.F.R. 5.2) by providing that the statute of limitatione begins to run at the time an opinion is requested. The bill would also protect the confidentiality of documente and information submitted by registrants and potential registrants in the course of inspectione or in response to a CID, by providing a specific exemption for these documents under the Freedom of Information Act. Further, it amends section 1505 of Title 18, United Statee Code, to make obstruction of a CID a crime.

This concludes my prepared teetimony. At this point, I will be please to respond to any questions you may have.

Mr. FRANK. Mr. Gibson.

STATEMENT OF STEPHEN R. GIBSON, DIRECTOR, OFFICE OF INVESTMENT AFFAIRS, U.S. DEPARTMENT OF STATE, ACCOMPANIED BY GERALD ROSEN, OFFICE OF THE LEGAL ADVISER

Mr. GIBSON. Thank you, Mr. Chairman. I'm Stephen Gibson, Director of the State Department's Office of Investment Affairs. Among my responsibilities are development and advice on investment policy within the Department of State. I have with me, Mr. Chairman, Gerry Rosen from the Office of the Legal Adviser of the Department of State.

With your permission, Mr. Chairman, I would like to make summary comments and submit my longer statement for the record.

Mr. FRANK. You certainly have my permission to do that, and we'll put your statement in the record.

Mr. GIBSON. Mr. Chairman, I would like to limit my comments to amendments that are of specific concern to the Department of State. These would be the proposed amendment in H.R. 1725 to section 1(c) of the act and the amendment to section 1(q) of the act.

The section 1(q) amendment, as we see it, would alter the philosophy underlying the current exemption from registration. We would no longer be able to accept as a basis for exemption from registration a demonstration by a foreign-owned U.S. corporation that it has a substantial economic interest in a particular representation independent of its parent's interest.

Section 1(c) is a related issue, because this would add a statutory standard to the regulatory criteria for defining foreign control. In accordance with this proposed amendment, an irrebuttable presumption of foreign control would exist for majority foreign owned U.S. companies, compelling registration unless an exemption is available. For U.S. companies with 20 to 50 percent foreign equity, a rebuttable presumption of foreign control would prevail.

Taken together, Mr. Chairman, these two amendments would have the effect of requiring significantly more U.S. corporations to register under the act. This could increase the cost and burdens of administering the act as well as possibly increase costs to a wide range of U.S. companies of doing business in the United States. U.S. companies with as little as 20 percent foreign equity could be faced with increased costs in pursuing their own legitimate business interests, whether by complying with a requirement to register or seeking to rebut the presumption of foreign control.

Mr. Chairman, the amendments may send a negative message to foreign investors and to American companies seeking an infusion of foreign capital, technology, or other assets. The United States has undertaken international obligations to accord national treatment to established investment. Relevant obligations are contained in many of our treaties of friendship, commerce, and navigation, and in all of our bilateral investment treaties. For example, the model bilateral investment treaty accords national treatment to investment and activities associated therewith. "Associated activities" is defined to include all operational aspects of an investment.

National treatment requires that foreign and foreign-owned firms be treated no less favorably than domestically owned U.S.

firms in respect to the conditions under which they may establish and do business in this country. In return, we expect that U.S.-owned firms in our treaty partner countries will be treated no less favorably than domestically owned firms in those countries.

The Foreign Agents Registration Act has, to date, basically respected this principle by making one of its central tests that a person's activities be predominantly for, or on behalf of, a foreign national, and by applying that test to United States- and foreign-owned persons alike.

The amendments proposed in H.R. 1725 that I am addressing would reach foreign-owned U.S. firms pursuing their own interests regardless of whether those interests also happened to be shared by a foreign principal. Thus, a foreign-owned U.S. firm that sought a change in a law in order to advance its own bona fide economic interests in this country would be subject to registration, while a domestically owned firm seeking an identical change would not be required to register. It would not be surprising, Mr. Chairman, if our treaty partners saw this as discrimination on the basis of nationality of ownership alone and, as such, incompatible with national treatment. We are, therefore, concerned that these particular amendments to the act may be perceived as a retreat from a principle that has served us well.

Moreover, our friendship, commerce, and navigation treaties and our bilateral investment treaties rely on the principle that incorporation in a host state is a fundamental entitlement to do business in the same way as a domestic corporation. This principle underlies the position of many U.S. companies that are relying on incorporation in a European member state as a predicate for doing business in the post-1992 European Community.

Some may argue that in no case should a locally incorporated foreign company be engaged in the host company's political process. This is the position that many developing countries take in regard to U.S. companies operating in them. But, with governmental policies and regulations so essential to commercial success, the act itself inherently recognizes that political activity may be in the furtherance of bona fide U.S. commercial, industrial, or financial interests. In such case, the current act's possibility of exception to registration should be retained.

In sum, Mr. Chairman, the Foreign Agents Registration Act, as amended, has as its purpose the protection of the integrity of our Government's decisionmaking process through the identification of sources of foreign political propaganda. The amendments I have been discussing would not achieve the same purpose. Instead, they would result in unequal treatment for two U.S. companies pleading their own identical cases. There would be discrimination in an area where no valid purpose would be served by it.

For these reasons, Mr. Chairman, the Department of State urges the subcommittee not to adopt the amendments I have been discussing here. Thank you very much.

Mr. FRANK. Thank you, sir.

[The prepared statement of Mr. Gibson follows:]

TESTIMONY OF STEPHEN R. GIBSON
DIRECTOR, OFFICE OF INVESTMENT AFFAIRS
U.S. DEPARTMENT OF STATE
BEFORE THE SUBCOMMITTEE ON
ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS
OF THE
HOUSE COMMITTEE ON THE JUDICIARY
JULY 24, 1991

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE, ON BEHALF OF THE DEPARTMENT OF STATE LET ME EXPRESS OUR APPRECIATION FOR THE OPPORTUNITY TO PROVIDE COMMENTS ON THE PROPOSED AMENDMENTS IN H.R. 1725 TO THE FOREIGN AGENTS REGISTRATION ACT (FARA). THE STATE DEPARTMENT FULLY SUPPORTS THE BASIC CONCEPT THAT PERSONS CONTROLLED BY FOREIGN INTERESTS SHOULD BE IDENTIFIED AS SUCH WHEN REPRESENTING THOSE INTERESTS BEFORE THE AMERICAN PEOPLE AND GOVERNMENT.

I WOULD LIKE TO LIMIT MY COMMENTS TO TWO AMENDMENTS THAT ARE OF SPECIFIC CONCERN TO THE DEPARTMENT OF STATE -- 1) THE AMENDMENT TO SECTION 1(C) OF THE ACT, WHICH WOULD ESTABLISH STATUTORY STANDARDS FOR DEFINING FOREIGN CONTROL AND 2) THE AMENDMENT TO SECTION 1(Q) OF THE ACT, WHICH AS WE SEE IT WOULD EFFECTIVELY END THE EXEMPTION FROM REGISTRATION OF U.S. SUBSIDIARIES OF FOREIGN COMPANIES WHEN THEY REPRESENT THEIR OWN INTERESTS BEFORE THE GOVERNMENT.

THE DEPARTMENT OF STATE BELIEVES THAT TAKEN TOGETHER THESE AMENDMENTS ARE INCONSISTENT WITH CERTAIN PRINCIPLES FOUND IN OUR BILATERAL INVESTMENT TREATIES AND OUR TREATIES OF FRIENDSHIP, COMMERCE AND NAVIGATION. MOREOVER, THEY COULD RESULT IN UNNECESSARY DISCRIMINATION BETWEEN U.S. COMPANIES AND IN ADDED COSTS OF DOING BUSINESS FOR U.S. SUBSIDIARIES OF FOREIGN COMPANIES, AND COULD SERVE AS A DISINCENTIVE TO FOREIGN INVESTMENT IN THE UNITED STATES. WE URGE THAT THE AMENDMENTS NOT BE ADOPTED.

THE FOREIGN AGENTS REGISTRATION ACT, AS AMENDED MOST RECENTLY IN 1966, REQUIRES AN "AGENT OF A FOREIGN PRINCIPAL" TO FILE WITH THE ATTORNEY GENERAL A REGISTRATION STATEMENT DISCLOSING THE FOREIGN PRINCIPAL AND THE NATURE OF THE ACTIVITIES CONDUCTED ON ITS BEHALF. AN AGENT OF A FOREIGN PRINCIPAL IS DEFINED AS A PERSON WHO, "AT THE ORDER, REQUEST, OR UNDER THE DIRECTION OR CONTROL" OF A FOREIGN GOVERNMENT OR A FOREIGN NATURAL OR LEGAL PERSON ENGAGES IN POLITICAL ACTIVITIES, PUBLIC RELATIONS ACTIVITIES, FINANCIAL TRANSACTIONS, OR REPRESENTATION BEFORE GOVERNMENT AGENCIES.

THE 1966 AMENDMENTS INCLUDED AN IMPORTANT EXCEPTION TO THE REGISTRATION REQUIREMENTS. SECTION 3(D) EXEMPTS A FOREIGN-CONTROLLED U.S. SUBSIDIARY FROM REGISTRATION WHEN IT ENGAGES IN ACTIVITY THAT WOULD SERVE THE PURELY COMMERCIAL INTERESTS OF ITS FOREIGN PARENT, SUCH AS ADVERTISING OR

PROMOTION. THE SUBSIDIARY IS ALSO EXEMPT FROM REGISTRATION FOR "OTHER ACTIVITIES NOT SERVING PREDOMINANTLY A FOREIGN INTEREST." THIS LATTER EXEMPTION ENCOMPASSES POLITICAL ACTIVITY.

BECAUSE OF THE DIFFICULTY FOR MULTINATIONAL CORPORATIONS TO DETERMINE WHETHER THEIR POLITICAL ACTIVITIES WERE IN THE INTERESTS OF THE FOREIGN PARENT OR THE U.S. SUBSIDIARY, SECTION 1(Q), DEFINED THE "NOT...PREDOMINANTLY A FOREIGN INTEREST" EXCEPTION. UNDER SECTION 1(Q), A U.S. COMPANY NEED NOT REGISTER AS A FOREIGN AGENT WHEN IT LOBBIES ON A POLITICAL MATTER THAT IS SUBSTANTIALLY IN ITS OWN ECONOMIC INTEREST, EVEN THOUGH ITS FOREIGN PARENT ALSO WOULD BENEFIT FROM THE DESIRED OUTCOME.

THE AMENDMENT PROPOSED FOR THE SECTION 1(Q) DEFINITION OF ACTIVITIES NOT DEEMED TO SERVE "PREDOMINANTLY A FOREIGN INTEREST" WOULD APPEAR TO HAVE THE RESULT THAT ANY REPRESENTATION TO CONGRESS OR THE ADMINISTRATION BY A FOREIGN-OWNED U.S. COMPANY WOULD HAVE TO BE REGARDED AS SERVING "PREDOMINANTLY A FOREIGN INTEREST," AND THE COMPANY WOULD BE REQUIRED TO REGISTER.

THIS SECTION 1(Q) AMENDMENT WOULD ALTER THE PHILOSOPHY UNDERLYING THE CURRENT EXEMPTION FROM REGISTRATION. WE WOULD NO LONGER ACCEPT AS A BASIS FOR EXEMPTION FROM REGISTRATION A DEMONSTRATION BY A FOREIGN_OWNED U.S. CORPORATION THAT IT HAS A SUBSTANTIAL ECONOMIC INTEREST IN A PARTICULAR REPRESENTATION INDEPENDENT OF ITS PARENT'S INTEREST.

A RELATED ISSUE IS THE PROPOSED AMENDMENT TO SECTION 1(C) OF THE ACT WHICH WOULD ADD A STATUTORY STANDARD TO THE REGULATORY CRITERIA FOR DEFINING FOREIGN CONTROL. IN ACCORDANCE WITH THE AMENDMENT, AN IRREBUTTABLE PRESUMPTION OF FOREIGN CONTROL WOULD EXIST FOR MAJORITY FOREIGN-OWNED U.S. COMPANIES, COMPELLING REGISTRATION UNLESS AN EXEMPTION IS AVAILABLE. FOR U.S. COMPANIES WITH 20 TO 50 PERCENT FOREIGN EQUITY, A REBUTTABLE PRESUMPTION OF FOREIGN CONTROL WOULD PREVAIL.

TAKEN TOGETHER, THE TWO AMENDMENTS WOULD HAVE THE EFFECT OF REQUIRING SIGNIFICANTLY MORE U.S. CORPORATIONS TO REGISTER UNDER THE ACT. THIS COULD INCREASE THE COSTS AND BURDENS OF ADMINISTERING THE ACT AS WELL AS POSSIBLY INCREASE COSTS TO A WIDE RANGE OF U.S. COMPANIES OF DOING BUSINESS IN THE UNITED STATES. U.S. COMPANIES WITH AS LITTLE AS 20 PERCENT FOREIGN EQUITY COULD BE FACED WITH INCREASED COSTS FOR PURSUING THEIR OWN, LEGITIMATE BUSINESS INTERESTS, WHETHER BY COMPLYING WITH A REQUIREMENT TO REGISTER OR SEEKING TO REBUT THE PRESUMPTION OF FOREIGN CONTROL.

THE AMENDMENTS MAY SEND A NEGATIVE MESSAGE TO FOREIGN INVESTORS AND TO AMERICAN COMPANIES SEEKING AN INFUSION OF CAPITAL, TECHNOLOGY OR OTHER ASSETS.

MR. CHAIRMAN, THE U.S. HAS UNDERTAKEN INTERNATIONAL OBLIGATIONS TO ACCORD NATIONAL TREATMENT TO ESTABLISHED FOREIGN INVESTMENT. RELEVANT OBLIGATIONS ARE CONTAINED IN MANY OF OUR TREATIES OF FRIENDSHIP, COMMERCE AND NAVIGATION (FCNS) AND IN ALL OF OUR BILATERAL INVESTMENT TREATIES. FOR EXAMPLE, THE MODEL BILATERAL INVESTMENT TREATY ACCORDS NATIONAL TREATMENT TO "INVESTMENT, AND ACTIVITIES ASSOCIATED THEREWITH". "ASSOCIATED ACTIVITIES IS DEFINED TO INCLUDE ALL OPERATIONAL ASPECTS OF AN INVESTMENT.

NATIONAL TREATMENT REQUIRES THAT FOREIGN AND FOREIGN-OWNED FIRMS BE TREATED NO LESS FAVORABLY THAN DOMESTICALLY-OWNED U.S. FIRMS IN RESPECT OF THE CONDITIONS UNDER WHICH THEY MAY ESTABLISH AND DO BUSINESS IN THIS COUNTRY. IN RETURN, WE EXPECT THAT U.S.-OWNED FIRMS IN OUR TREATY PARTNER COUNTRIES WILL BE TREATED NO LESS FAVORABLY THAN DOMESTICALLY-OWNED FIRMS IN THOSE COUNTRIES. THE FOREIGN AGENTS REGISTRATION ACT HAS TO DATE BASICALLY RESPECTED THIS PRINCIPLE BY MAKING ONE OF ITS CENTRAL TESTS THAT A PERSON'S ACTIVITIES BE PREDOMINENTLY FOR OR ON BEHALF OF A FOREIGN NATIONAL, AND BY APPLYING THAT TEST TO U.S. AND FOREIGN-OWNED PERSONS ALIKE.

THE AMENDMENTS PROPOSED IN H.R. 1725 WOULD REACH FOREIGN OWNED U.S. FIRMS PURSUING THEIR OWN INTERESTS REGARDLESS OF WHETHER THOSE INTERESTS ALSO HAPPENED TO BE SHARED BY A FOREIGN PRINCIPAL. THUS, A FOREIGN-OWNED U.S. FIRM THAT SOUGHT A CHANGE IN A LAW IN ORDER TO ADVANCE ITS OWN BONA FIDE ECONOMIC INTERESTS IN THIS COUNTRY WOULD BE SUBJECT TO REGISTRATION , WHILE A DOMESTICALLY-OWNED FIRM SEEKING AN IDENTICAL CHANGE WOULD NOT BE REQUIRED TO REGISTER.

IT WOULD NOT BE SURPRISING IF OUR TREATY PARTNERS SAW THIS AS DISCRIMINATION ON THE BASIS OF NATIONALITY OF OWNERSHIP ALONE, AND AS SUCH INCOMPATIBLE WITH NATIONAL TREATMENT. WE ARE THEREFORE CONCERNED THAT THESE PARTICULAR AMENDMENTS TO THE ACT MAY BE PERCEIVED AS A RETREAT FROM A PRINCIPLE THAT HAS SERVED US WELL.

MOREOVER, OUR FCNS AND INVESTMENT TREATIES RELY ON THE PRINCIPLE THAT INCORPORATION IN A HOST STATE IS A FUNDAMENTAL ENTITLEMENT TO DO BUSINESS IN THE SAME WAY AS A DOMESTIC CORPORATION. THIS PRINCIPLE UNDERLIES THE POSITION OF MANY U.S. COMPANIES THAT ARE RELYING ON INCORPORATION IN A EUROPEAN COMMUNITY MEMBER STATE AS A PREDICATE FOR DOING BUSINESS IN THE POST-1992 EUROPEAN COMMUNITY.

SOME MAY ARGUE THAT IN NO CASE SHOULD A LOCALLY INCORPORATED FOREIGN COMPANY BE ENGAGED IN THE HOST COUNTRY'S POLITICAL PROCESS. THIS IS THE POSITION THAT MANY DEVELOPING COUNTRIES TAKE IN REGARD TO U.S. COMPANIES OPERATING

IN THEM. BUT, WITH GOVERNMENTAL POLICIES AND REGULATIONS SO ESSENTIAL TO COMMERCIAL SUCCESS, THE ACT ITSELF INHERENTLY RECOGNIZES THAT POLITICAL ACTIVITY MAY BE IN THE FURTHERANCE OF BONA FIDE U.S. COMMERCIAL, INDUSTRIAL OR FINANCIAL INTERESTS. IN SUCH CASES, THE CURRENT ACT'S POSSIBILITY OF EXCEPTION TO REGISTRATION SHOULD BE RETAINED.

IN SUM, THE FOREIGN AGENTS REGISTRATION ACT, AS AMENDED, HAS AS ITS PURPOSE THE PROTECTION OF THE INTEGRITY OF OUR GOVERNMENT'S DECISION MAKING PROCESS THROUGH THE IDENTIFICATION OF SOURCES OF FOREIGN POLITICAL PROPAGANDA. THE AMENDMENTS I HAVE BEEN DISCUSSING WOULD NOT ACHIEVE THE SAME PURPOSE. INSTEAD, THEY WOULD RESULT IN UNEQUAL TREATMENT FOR TWO U.S. COMPANIES PLEADING THEIR OWN IDENTICAL CASES. THERE WOULD BE DISCRIMINATION IN AN AREA WHERE NO VALID PURPOSE WOULD BE SERVED BY IT.

FOR THESE REASONS, MR. CHAIRMAN, THE DEPARTMENT OF STATE URGES THE SUBCOMMITTEE NOT TO ADOPT THE AMENDMENTS I HAVE BEEN DISCUSSING.

THANK YOU.

Mr. FRANK. Let me ask you, Mr. Gibson, you talk about the treaty principles that are involved. You stopped short, it seems to me, of saying that this would be a violation of the treaty. Am I correct that you stopped short? Are you unsure? I realize you could find yourself in a difficult position because you could be telling us one thing and then that could be used against you. I note that your legal adviser is nodding.

[Laughter.]

Mr. FRANK. Is it your position—let me phrase it this way—that if we were to pass these bills as they are before us, we would find ourselves asked to defend against serious charges that we've violated the treaties?

Mr. GIBSON. I think that is a possibility, Mr. Chairman, and my legal adviser tells me that we really don't like differentiation between companies in a situation like this. There have not, I might add, to the best of my knowledge, been cases brought on the basis of FARA so far, but the——

Mr. FRANK. But, we do have some differences in the law. I mean, we don't give them identical treatment. Isn't that correct?

Mr. GIBSON. That is correct when they are representing purely the political interests of the foreign parent. When they are representing domestic economic interests the same as an American company, then I believe we do afford them equal treatment under the current act.

Mr. FRANK. And, that's what you interpret the treaties to mean—that if it's any economic interest of the company, if it's the domestic economic interest, that's all that has to be equal there. But, if they were doing something about the home company, that that's——

Mr. GIBSON. It's my understanding that that would fall well within the definition of national——

Mr. FRANK. So, your position, then, is that, when you say "the treaties," it's the locus of the economic activity rather than the nature of the ownership that should govern what the rules are? Is that a fair statement?

Mr. Rosen, if it's OK with you, if you just want to testify, why don't you just go right ahead?

Mr. ROSEN. As a general rule, yes, that's correct, although we do recognize that there may be differences in circumstances in foreign ownership, and in the current law, in fact, we're quite prepared to defend any charge that the current FARA would be a violation——

Mr. FRANK. And, there have been no charges of violation to date?

Mr. ROSEN. I am not aware of any. We would, of course, develop the best arguments we could——

Mr. FRANK. I understand that. I don't want to put you in a position of making arguments now that you might get thrown in your face later. I appreciate that.

Mr. ROSEN. We would try to defend it. We might be able to come up with some good arguments to defend the amended version, but, as a matter of legal policy, we'd be pretty unhappy doing it because we don't like to try to extend the scope of what's permissible under national treatment when we're faced, for example, in the European Community with conditions in which we want to ensure there's——

Mr. FRANK. I appreciate that, but they're somewhat separate. One is what's legally defensible in whatever tribunal would have the right to decide. Let me ask: What are the reciprocal arrangements in foreign countries? How are American-owned interests treated in various foreign countries? Are there examples where we are not treated identically to locally owned activities?

Mr. ROSEN. There certainly have been such occasions. With respect specifically to registration and lobbying, I'm not aware. That's a very good question and we'll be looking for information——

Mr. FRANK. I'd appreciate your sharing that with us. I think one of the things you're going to find is a very strong sense of reciprocity. You may wind up—and I would say, because this is most relevant to Mr. Gibson, we might be arming the State Department to go to some situations where Americans have been discriminated against and saying, "Look, you're going to be faced with reciprocity." It's not inconceivable to me that we might act in a way that was reciprocal. Countries that treated us in a certain way would be treated a certain way similarly.

That would not be the motivation of the sponsors, and that's not necessarily what would happen, but that is the range of possibilities. I do think how we are treated internationally would be an important part of it.

Let me just ask you, Mr. Richard, one other question, because your testimony was really very helpful. You heard earlier today discussions in which there seemed to be a consensus that enforcement has not been very good on this. I wonder if you would address that.

Mr. RICHARD. Yes. I would take exception with the notion that there has been no enforcement. The points raised are valid; that is to say, our ability to enforce has been hampered by a variety of factors, including that a variety of the provisions are, in fact, ambiguous and subject to various interpretations. Given the fact that the sanctions, if you will, that are currently contained are purely criminal sanctions, our ability to develop criminal cases is hampered by a variety of similar type issues.

Mr. FRANK. Which is one reason why you want a civil investigative demand rather than going to the criminal——

Mr. RICHARD. Yes. At the present time our ability to investigate is based on either having sufficient basis to open an inquiry and utilize the grand jury process or relying on voluntary compliance for our inspection right, at least as far as the registrant. We think an investigative demand capability would enable us to have greater access and flexibility to investigate in the civil context. We think the imposition or the possibility of imposing fines for late filings would address some of the problems we have encountered with late filings. So, we think a lot of the proposed amendments contained in the bill, and as supplemented by our bill, would go a long——

Mr. FRANK. That's a very useful answer. Sometimes people will say, well, if you're not getting enforcement now, why? Your point is that we are making enforcement more efficient or easier to apply as well. I appreciate that.

Of course, I should note—I don't want to get anyone's hopes up—if the crime bill as it passed the Senate were to be enacted, unless

foreign agents were carrying automatic weapons, you wouldn't have any ability to pay any attention to them at all; you'd be busy with other things. So, no nongun-toting crimes would get any attention from any of your people; you wouldn't have the time to do it.

[Laughter.]

Mr. FRANK. I don't ask you to comment on that, Mr. Richard.

Mr. RICHARD. Thank you. Thank you, Mr. Chairman.

Mr. FRANK. I thank the panel, as far as I'm concerned.

Mr. Ramstad.

Mr. RAMSTAD. Mr. Chairman, you're not going to ask me to comment on that, either?

Mr. FRANK. No.

Mr. RAMSTAD. Mr. Chairman, I have a question, please, for Mr. Gibson. Your statement of apprehension or, rather, concern that modifying the commercial exemption could discourage foreign investment or, as you say, could serve as a disincentive, could you elaborate on that concern?

Mr. GIBSON. Yes, thank you, Mr. Ramstad. What I am saying is that the amendments would be read as an indication basically of congressional mistrust of foreign investment. There's certainly that interpretation that could be put on it. Such a reading would certainly make foreign investors think twice about investing in the United States.

Mr. RAMSTAD. So, you're talking, then, more about the perception under the proposed legislation?

Mr. GIBSON. Certainly perception is one of the problems. The added cost of doing business would be another issue.

Mr. RAMSTAD. And, another question, Mr. Gibson, do you have an estimate or a projection as to how many more people would be required to file under the amended act?

Mr. GIBSON. No, sir, I don't have an estimate.

Mr. RAMSTAD. Does any of the panel?

Mr. RICHARD. Let me say there are a variety of proposals, each of which would result probably in an incremental increase in the number of filings. There are at least three or four different proposals that would have the effect of pulling in additional people or additional categories of people or entities that would not otherwise have the current responsibility to file. Each one would generate—we can only speculate what the amounts would be at this point, but I suspect it would be an appreciable amount.

Mr. RAMSTAD. Mr. Chairman, one final question?

Mr. FRANK. Sure. Go ahead.

Mr. RAMSTAD. This one I think would be more appropriately asked of Mr. Richard, and it pertains to granting in H.R. 1725, the Glickman bill that was previously described, granting the Attorney General the civil penalty authority without providing more due process protection. Under this proposed legislation, the Attorney General could assess a penalty four times as great as a court or a judge after a criminal conviction. Certainly it would seem to me that's a major concern, or should be.

Mr. RICHARD. Well, like I say, not only for that reason, but for the administrative problems that would be envisioned, we would urge that that process be relegated to a judicial setting and not be

given to the Department of Justice to administer as an administrative fine or anything like that.

Mr. RAMSTAD. Based on due process concern?

Mr. RICHARD. Well, the due process generally, I suspect, can be addressed in terms of the methodology for administering it, but it would require, I would suggest, a very significant administrative apparatus to ensure the availability of due process protection to the individuals.

Mr. RAMSTAD. Thank you, Mr. Chairman.

Mr. FRANK. Would you prefer that the ALJ be able to do this or——

Mr. RICHARD. I'm sorry?

Mr. FRANK. Could an ALJ do this under your——

Mr. RICHARD. Yes, but we really don't have, I mean except in the immigration area, a heck of a lot of in-house——

Mr. FRANK. I understand that, but an ALJ, if we were to set one up—rather than get into the full panoply of the district court with all that involves, I'm wondering whether an ALJ procedure might be able to be worked out and deal with it.

Mr. RICHARD. I'm sure that, as a matter of procedure in law, one could be devised to accomplish that, but, nevertheless, given the setting, I think we would still prefer that it be done in the context of——

Mr. FRANK. Why?

Mr. RICHARD. Again, the burden, the administrative burden that would be imposed, setting up—we don't really know the volume of cases that would be generated by this. It's an area that I think we would feel more comfortable having relegated it to the district court.

Mr. FRANK. "Relegate" is a keyword here. We're talking now not just about, obviously, the administrative convenience of the Justice Department, but the efficiency of the administration of justice in the country. When you look at what the district courts have already got and may be getting, that's why I would believe that——

Mr. RICHARD. Well, I agree, and a lot of it would turn on the question of anticipated volume. If we're talking major volume, we may have no other alternative.

Mr. FRANK. I see, but you're saying if it weren't maybe that frequent, it wouldn't justify setting up the apparatus?

Mr. RICHARD. Precisely.

Mr. FRANK. So, really with more frequency, the more likely you would want to go to an ALJ?

Mr. RICHARD. Precisely.

Mr. FRANK. All right. I think that's a fair point.

I just want to note—and it's actually relevant to our earlier discussion, but when we talked about what the legitimate range of duties of lawyers is and how lawyers don't just go to court but they go to administrative agencies, they represent people in proceedings, and in informal proceedings, I thought that was a very relevant discussion. I hope everybody will remember that when we get back to defining the appropriate duties for lawyers who work for grantees of the Legal Services Corporation. It's got nothing to do with all you people, but efforts to restrict the Legal Services. I subscribe to that definition of what lawyers do, and I hope people will remem-

ber that when we start talking about what Legal Services Corporation grantee lawyers do.

I thank the panel very much.

Finally, we'll hear from Denis Neill, Thomas Susman, and Elliot Richardson. Let's sit down quickly, please, gentlemen. You can all be polite later on somebody else's time.

We have Mr. Neill and Mr. Susman. Let's begin with Mr. Neill.

STATEMENT OF DENIS M. NEILL, PRESIDENT, NEILL & CO., INC., ACCOMPANIED BY HORACE JENNINGS

Mr. NEILL. Thank you very much, Mr. Chairman. I note that procedure requires me to be brief and I'll try to be very brief. I'd like to introduce my colleague, Mr. Horace Jennings, who is responsible for our filings at Neill & Co., under the Foreign Agents Registration Act and the lobbying regulation act.

I'd request that my statement be——

Mr. FRANK. Without objection, it will be put in the record.

Mr. NEILL. Thank you, Mr. Chairman.

Let me tell you where I stand, Mr. Chairman, right at the start. I think there should be disclosure of any client's interest by any advocate, foreign or domestic, seeking to influence legislation, regulation, policymaking, administrative action, or a contract or procurement decision by the executive or legislative branches. I think that the recordkeeping and filing requirements ought to enable the oversight bodies to see that the disclosure requirement is carried out, but only be the minimum necessary so that these burdens will not inhibit compliance with the disclosure requirements. Finally, I think that the public exposure of filings ought to be substantially reduced because it inhibits full and honest compliance.

Mr. Chairman, I believe that the law requiring point-of-contact disclosures is good public policy. Every decisionmaker should know who is paying for the advocacy that purports to persuade him or her. However, I do not know why this policy is not extended to all lobbying activities of domestic interests as well.

In that regard, Mr. Chairman, I think that Mr. Glickman's very able recitation of the distinctions in current law, while accurate, does not justify the distinction itself. The question continues to exist as to whether or not there ought to be different treatment for foreign and domestic interests.

The original law was the national security law. The current concept of economic security perhaps is valid to require additional registration, but the greatest threat to economic security in lobbying and influence peddling has been in the savings and loan scandals. That has milked more from the United States than any foreign interest. I think that it would have behooved the Congress greatly, and I think you know this very well, to have had greater disclosures of savings and loan lobbying than to have perhaps more registrations for Toshiba or Toyota.

I think, however, everyone should know who's trying to influence everyone. The concept of a clearinghouse, I think, would go a long way to resolving these issues.

The question of what is filed at the Justice Department really should bear additional scrutiny, and perhaps substantial modifica-

tion. I would note that Joe Clarkson and his staff at the FARA unit have a Herculean task of trying to keep track of everything, and they've done a very admirable job. They are understaffed. They cannot carry out the responsibilities of keeping up with the paperwork, let alone conducting meaningful audits.

I think it would perhaps behoove us if we were to look at very carefully perhaps a two-tier registration, a clearinghouse that would be made public, and, if additional information is required such as the financial information currently required under FARA, if that's going to be required of foreign and domestic interests, perhaps that can be done in a more private filing similar to our tax returns.

If we're going to get into all of the registration of all point-of-contact disclosures, that, too, ought to be perhaps done privately. The disclosure of strategy, the disclosure of every contact is not a meaningful disclosure for the public and is often misleading about the nature of lobbying and the nature of the activity.

I would like to comment a little bit more on Mr. Glickman's point, more than his testimony itself. I think a recitation of the historical fact that the legislation trying to unify FARA didn't pass isn't really good guidance for the future. In the 10 years since Mr. Glickman very ably tried to unify the statute a lot has changed in Washington. I don't think the climate, any longer, would permit the unification of lobbying and foreign agent registration interests to oppose a single bill. I think a survey in the community would find that there would be support for some type of reform in this area. Probably the most vigorous opposition will come from the ACLU and civil liberties organizations that would find any extension of registration requirements for petitioning Congress to be inimical to their basic standards. I think that's something that ought to be looked at very carefully. I do think that any registration should be unified for foreign and domestic interests and for nonprofit organizations as well as those of us who seek to make a living at this business.

Finally, I'd like to comment on the filing aspects suggested by Mr. Glickman. Mr. Glickman did note that somebody had told him that filing was far more burdensome for domestic lobbying, or was considered by some to be more burdensome for domestic lobbying than for foreign lobbying. I'd like to ask my colleague, Horace Jennings, to comment on that, as he is responsible in our firm for both.

Mr. FRANK. Go ahead, Mr. Jennings.

Mr. JENNINGS. Thank you, Mr. Chairman. From my experience as the FARA compliance officer and the compliance officer for the lobbying regulations, and I think my colleagues in Neill & Co. would agree, the reporting requirements for FARA are much more stringent; they have created a much more onerous burden for us on a daily basis. That's possibly attributable to our client base which is heavily foreign in some respects, but also because of the necessity to keep track of every point of contact and the time required on a daily and monthly basis, to make sure we're in——

Mr. FRANK. You're talking about client by client, because obviously overall volume wouldn't be relevant for comparative pur-

poses because that would reflect the client base? But, you're saying on a client-by-client basis that it's more onerous to do FARA?

Mr. JENNINGS. Yes, I would say so, Mr. Chairman.

Mr. FRANK. Thank you. Mr. Neill.

Mr. NEILL. Mr. Chairman, that concludes my remarks, but I would like to commend to the attention of the other Members of the committee especially the concluding remarks I have recommending six specific principles I think to guide the committee, if possible, in looking at amendment of the current legislation. Thank you, sir.

Mr. FRANK. Thank you.

[The prepared statement of Mr. Neill follows:]

Remarks by

Denis M. Neill

President of Neill and Company, Inc.

July 24, 1991

I am delighted to be able to appear before you today to discuss the registration and reporting requirements under the Foreign Agents Registration Act ("FARA"). I understand that you will focus on the bill that was introduced by Congressman Dan Glickman to "tighten, toughen, and update the Foreign Agent's Registration Act," but that you wish also to look at the entire foreign and domestic representation picture.

Let me tell you where I stand right at the start: I think there should be disclosure of a client's interest by <u>any</u> advocate seeking to influence legislation, regulation, policy making, administrative action or a contract or procurement decision by the executive or legislative branches. I think that registration, filing, and record keeping requirements ought to enable the oversight bodies to see that the disclosure requirement is carried out, but only be the minimum necessary so that these burdens will not inhibit compliance with the disclosure requirements. I think that public exposure of the filings ought to be eliminated because it inhibits full and honest compliance.

While I would support many aspects of Congressman Glickman's bill, if it were the only option under consideration, I believe that a more dramatic overhaul of FARA, the Lobbying Regulation Act and the Byrd Amendment is in order. Most of the concerns addressed by Congressman Glickman's bill can be addressed in more comprehensive legislation that would simplify the entire process.

Mr. Chairman and Members of the Subcommittee, this testimony is primarily the product of myself and my colleagues James T. Shea, Vice President and Director of Legislative Operations at Neill and Company, and Horace Jennings, who is now primarily responsible for our FARA filings. In my ten years as President of Neill and Company, Inc., a Washington-based government relations and consulting firm, I have had wide-ranging experience with FARA and its reporting requirements. My observations about the burden FARA places on government relations consultants like myself and the members of my firm also reflect the views of the 24 professionals in our firm.

Neill and Company has changed a lot in these ten years since I first started with only one country client and a small support staff. During that time, the business has grown to the point where we represent a number of foreign governments, as well as a substantial number of corporate clients, both domestic and foreign. At Neill and Company we spent about 21,000 professional hours servicing twelve foreign clients in 1990, 19,000 hours servicing seven foreign clients in 1989, and 16,000 hours servicing five foreign clients

in 1988. I note that these totals do not include the equally large numbers of hours concurrently expended by our support staff for the professionals of Neill and Company.

Within the last two decades there has been an explosive growth in the number of inside and outside the beltway consulting and lobbying firms representing various corporate and government foreign interests. Law firms are also now aggressively branching out into lobbying, and into what has traditionally been considered pure commercial and trade consulting.

In an earlier, isolationist era, Congress enacted FARA out of what many would consider very real fears of the dangers posed by covert foreign influence on the decision-making sectors of the U.S. government and on American public opinion. They were reacting specifically to pre-World War II experiences related to activities of groups and individuals perceived as sympathetic to the Axis powers. Today, countries that we once met on the battlefield are now counted among our most trusted and valued allies in the area of foreign policy, and our most important trade partners. Many U.S. corporations have gone global, with major overseas subsidiaries and ownership interests in foreign corporations; foreign corporations have established major American subsidiaries. The way FARA currently operates also ignores the globally interdependent marketplace that requires our legislators and bureaucrats to have free access to accurate and detailed information that will aid them to protect the welfare of American citizens and consumers.

Neither FARA nor its attendant regulations have kept pace with these changes in political and business environments. Congressman Glickman's legislation attempts to provide greater guidance in the area of defining what constitutes a foreign corporation by designating a range of 20 percent to 50 percent as prima facie evidence of foreign ownership. Given the complexities of corporate ownership in the multinational business arena, it is fortunate that provision is also made for the presumption of foreign ownership to be rebutted. Another way of addressing the problem is to require all representatives (foreign and domestic) to file the same form, but simply include the percentage of foreign ownerships as an item of required data.

Unfortunately, FARA's requirements -- when contrasted with laws applying to similar domestic entities -- still reflect the legislation's original premise that foreign interests are antithetical to U.S. interests and, therefore, we must be constantly vigilant against foreign corrupt influence. We must reject this negative way of viewing foreign registrants as anachronistic and xenophobic -- a relic of that bygone era. In my opinion, the present situation runs counter to the fundamental tenet that our system of government should be open to all viewpoints and positions. I applaud, therefore, Congressman Glickman's proposal to change the name of FARA to the "Foreign Interests Representation Act" as one means to eliminate the negative connotations associated with the term foreign agent. A way to eliminate the issue is to require the same basic information of all agents -- foreign or domestic.

At the risk of over-simplification, it is my observation that the FARA legislation is designed to provide two basic "disclosures." First, a point of contact disclosure: a registrant is required to identify the foreign interest he or she represents to any official contacted, and in communications to or through the media to the general public on behalf of that interest. Second, registration followed by a periodic detailed filing at the Justice Department: a registrant must describe his/her activities and contacts in voluminous filings that are open for public inspection in the Criminal Division in the Department of Justice. In conjunction with this periodic filing, there is an internal corporate record keeping requirement that is quite burdensome.

I believe that the law requiring point of contact disclosure is good public policy. Every decision-maker should know who is paying for the advocacy that purports to persuade him or her. However, I do not know why this policy is not extended to all lobbying activities of domestic interests as well. Given the globalized nature and complex linkages of today's international business community, it is increasingly unnecessary and unfair to differentiate between our domestic corporations and foreign companies pursuing policy changes through contacts with the executive or legislative branches of Government.

How does the lobbying for Toyota U.S.A., which may benefit its parent company in Tokyo, differ from domestic lobbying performed for Ford or Chrysler? Any executive branch official or member of Congress or staff who is contacted directly on a matter of

legislation, regulation or policy has the same need and the same right to know what "interest" is paying for the contact - whether that interest is foreign or domestic. It seems to me that public pronouncements as well should bear the label of the sponsor of the pronouncement, whether foreign or domestic. This is especially true when the figure making the pronouncement is a former member or employee of Congress or a former executive branch official with prior policy responsibility over the issue that is the subject of the pronouncement.

Some would argue that public disclosure -- "labeling one's statements" -- detracts from the substance of one's message. To the very limited extent that this is true, this factor is outweighed by the decision-maker's and the public's need to know the interest sponsoring the statement. At its simplest, lobbying involves providing information to those government officials and decision-makers whose decisions can impact on a client. My colleagues and I pride ourselves on our reputation for credibility and honesty among officials we have worked with. We are comfortable disclosing our client's identity -- whether foreign or domestic -- when we pursue that client's interests. Such disclosure has never inhibited our work nor, we are confident, detracted from the substance of our message or the persuasiveness of our case.

Although you have specifically asked me to address FARA, I believe that all three laws currently regulating lobbying of the executive and legislative branches should be

unified to include a single, point of contact disclosure provision: disclosure of one's client to any federal employee if one is seeking to influence legislation, regulation, policy making, an administrative decision or a contract or procurement decision by the executive or legislative branches. This should be extended as well to any public statement by someone paid to support a point of view -- in the newspaper, on television or radio, or in any other publication -- in the same manner as FARA.

Mr. Chairman, while I have no complaint with disclosure and registration itself, I am less favorably disposed to the filing of voluminous reports on activities and contacts at the Justice Department. From my experiences with FARA's filing requirements, suffice it to say that -- given the numbers of foreign governments and corporations that Neill and Company represents -- the FARA record keeping requirements and filing burden is daunting. However, we take the obligation seriously. I believe a review of our periodic submissions would underline the diligence we apply to the task.

My colleagues at Neill and Company found it necessary to develop a specialized software program solely dedicated to keeping track of our reportable contacts with people in the legislative and executive branches. When it is time for the 6-month reports to the Justice Department FARA Unit, significant administrative time is expended preparing the

reports. The result is prodigious. For example, for the six-month period ending January 5, 1990, the report ran to approximately fifty-five pages and, I would reiterate, we have had to develop specialized software to make the preparation somewhat manageable.

Congressman Glickman's proposed reforms of FARA would include a requirement that the 6-month follow-up FARA reports would be required to be filed on January 30 and July 31 of each year, rather than at 6-month intervals based on the original date of filing. I appreciate this effort by Congressman Glickman to regularize and streamline the registration proces. I am not convinced, however, that sound public policy requires these voluminous filings. Maybe some of them are needed to assure that the point of contact disclosure requirement is actually adhered to. I cannot determine what other purpose they would serve. If so, they should be the minimum necessary to assure compliance with the disclosure requirement.

While I like to give my colleagues a pat on the back for our compliance, I would like to note that Joseph Clarkson and the other employees of the Justice Department FARA Unit perform a herculean task in keeping track of the various individuals and businesses that report under FARA. I would also like to recognize before this Subcommittee their professionalism and their unfailing willingness to assist us when we have questions on FARA's reporting requirements. Although the unit is substantially understaffed, Mr. Clarkson and his staff are always accessible and amenable to

recommendations on how reporting compliance can be made more efficient. Finally, I want to recognize that the FARA Unit's conduct of audits in its oversight function is highly professional and very sensitive to the confidences between our firm and our clients.

I am against one aspect of the current law, and I highly recommend its substantial modification. That is, maintaining all FARA records open to the public. Unless it can be demonstrated that there is a real public policy basis for exposing all lobbying contacts and all related contract and financial information to the public, these records, like my company's tax returns, should be kept privately available for the Government officials entrusted to assure the compliance with the disclosure laws. This is especially true if legislation will continue to require filing financial and contract information (like our tax returns) and activity reports that disclose strategy and the tactics to implement it.

A simple two-tier filing requirement should be enacted for all registrants. First, a public filing identifying a client's identity, its beneficial ownership, the interest it is pursuing, and the time period involved. This can be updated annually and made available to the public in computer format as well as in hard copy. Second, a more extensive non-public filing may be required if deemed necessary, to include much of the same information as currently required by FARA, I hope, in summary form for activities and perhaps giving ranges for fees and expenses.

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Among the more disturbing effects of the public exposure of all contacts is that -- while intended to have a chilling effect on illegal behavior -- such exposure can inhibit individuals from filing or from full compliance with the law. Further, it can inhibit others from engaging in legitimate business practices. Let me elaborate.

Since filings under FARA are a matter of public record, some lobbyists are reluctant to contact government officials and legislators -- or to file an accurate record of the contact -- for fear that the contact will be publicized by a political opponent or by someone on the other side of the issue to embarrass the official. Some officials may refuse to meet with a lobbyist for a foreign client because the contact must be disclosed; but they will meet with a lobbyist for a domestic competitor whose contact need not be exposed. When this happens, U.S. officials get only one side of the debate. Sometimes, officials decline meetings with FARA contacts for fear that they may be somehow hurt by baseless or unsubstantiated accusations.

These unintended effects of public exposure are particularly likely in the situations where there are highly contentious or divisive issues -- the very situations where lobbyists can provide needed information on opposing sides of the story. Unfortunately, individuals and groups who might have legitimate reasons to benefit from lobbying contacts might be dissuaded from seeking such assistance because of their fears that every action and document will be open to unreasonable public scrutiny and potential misrepresentation.

No one benefits when important sources of information or data are shut off because of concerns over confidentiality. Putting it even more personally, we lose business from potential foreign clients when we explain that we will be required to file a public record of all of our activities on their behalf and they know that no such requirement exists for their domestic competitors.

To a foreign entity that possibly has millions of dollars at stake on a particular issue, the very real possibility that its strategy can be readily discovered is a factor that can militate against utilizing lobbying firms or even contacting the United States Government directly on its own behalf. Contrary to the situation of a foreign corporation, domestic competitors have no such concerns or inhibitions. If we truly believe in the merits of free and fair trade -- and particularly if we wish to promote the best interest of the U.S. consumer -- I would venture that no purpose is served by preventing foreign corporations from exercising the same right as their domestic competitors to privately provide legislators and federal officials with potentially valuable information. Such discrimination on foreign entities runs contrary to our oft-stated goals of free enterprise and open debate.

These problems of exposure are exacerbated by various publications - especially those specializing in the business of selectively highlighting the exact information I described as so inhibiting to truly fair competitive business. The more salacious

information will involve the registrants for clients engaged in contentious issues. I see little public interest served by misrepresenting the nature of foreign lobbying by selectively reporting certain fees or expenses out of a complete context of the registrant's activities. This discourages full compliance.

I am not exactly certain how to interpret the so-called lawyers' exemption from FARA. While the exemption appears designed to keep confidential the records developed to pursue an administrative matter, the vagueness of many concepts involved here clouds the issue, and many lawyers use those clouds to avoid registration.

In our sister law firm, we keep strictly confidential our activities for foreign clients that do not involve attempts to influence U.S. Government decision-making. Our clients expect, and receive, full confidentiality. However, when our foreign clients seek to influence U.S. Government decision-making, or when any client hires us to pursue a legislative interest, different rules apply. In my opinion, this distinction is proper. I believe that it is the activity for the client, not the status of the advocate, that should determine whether disclosure and registration is required. There should be no lawyers' exemption if the activity otherwise requires disclosure. I fully agree with Congressman Glickman's proposal to remove the blanket lawyer's exemption except in the case of judicial proceedings or hearings before the Patent and Trademark office.

Congressman Glickman's proposed legislation would also narrow the so-called "commercial exemption." Currently, the commercial exemption under FARA seems to exempt from disclosure and record keeping some contacts made for the purpose of advocating a procurement or contract decision, "a commercial transaction," even by a Government agency. If public policy justifies the disclosure for lobbying for legislative, policy changes or regulatory matters, that same policy seems to me to justify disclosure in contacts that would influence procurement and contract decisions. I would, therefore, agree with Congressman Glickman's assertion that only direct requests from agencies, judicial proceedings or formal administrative hearings should afford an individual access to the commercial exemption.

I would also like to comment on Congressman Glickman's proposal to create a legal structure for the imposition of civil penalties as a means to address those instances where the application of criminal penalties might be inappropriate to the facts of the case. Violations of FARA are currently dealt with the through the imposition of criminal penalties. Congressman Glickman's attempt at reforming FARA -- and the fact that congressional hearings are currently being held In an effort to rationalize the statute -- illuminate the difficulty that lobbyists and consultants have in ascertaining such things as when an activity is reportable or a claim of exemption is appropriate. I believe that assessing civil penalties in cases where a failure to conform is not willful or overly egregious will lessen the instances where someone has Inadvertently or innocently fails to

comply but continues to violate FARA out of fear that he or she will be subject to harsh criminal penalties. This same rationale applies -- with even more force -- to the Lobbying Regulation Act, the criminal provisions of which have never been enforced.

Mr. Chairman and members of the Subcommittee, registration, disclosure and record keeping serve an important function in our open system of government. I suggest, however, that the FARA legislation and its various regulations need to be reformulated in light of changing times and circumstances. The public policy behind the legislation needs to be examined and laws crafted to meet real needs. Precisely because I am not opposed to this legislation, I hope it is not presuming too much to offer six specific points to be addressed in crafting legislation that, I believe, will fairly serve the nation's interest in this area:

1. Repeal FARA, the Byrd Amendment and the Lobbying Regulation Act and replace them with a single statute.

2. Require the same point of contact disclosures for all domestic and foreign interests engaged in any activity seeking to influence legislation, regulation, policy making, an administrative action, or a contract or procurement decision by any U.S. official in the executive branch or members of Congress or staff and in communications to or through the media on behalf of a client.

3. Determine the extent to which public policy legitimately requires record keeping and reporting and then apply the minimal requirements necessary to assure compliance equally to domestic and foreign interests.

4. Make registration public, but eliminate public exposure of the detailed records filed in compliance with such legislation, maintaining detailed filings for oversight only.

5. Require the same disclosure, registration, filing and record keeping for all registrants, including lawyers, engaging in efforts to influence decisions in the U.S. Government other than the judicial branch.

6. Use civil penalties, as suggested by Congressman Glickman, as the primary enforcement tool for the combined statutes.

Mr. FRANK. Mr. Susman.

STATEMENT OF THOMAS M. SUSMAN, PARTNER, ROPES & GRAY, WASHINGTON, DC

Mr. SUSMAN. Mr. Chairman, I appreciate the opportunity to be here and will also submit my statement for the record.

Mr. FRANK. Without objection, it will be made part of the record.

Mr. SUSMAN. Ropes & Gray, the firm in which I am a partner, represents a number of foreign clients, some of whom we register for, some of whom we do not because we are not required to. I also have done a good deal of work in this area as part of the preparation of a lobbying compliance manual for the American Bar Association, but I indicate that in testifying I represent neither clients of the firm nor any ABA entity.

Mr. FRANK. Good. Right.

Mr. SUSMAN. It seems to me that maintaining the integrity of government and public confidence in government is a goal that we all share, and it's the goal of all of these lobbying laws: The Foreign Agents Registration Act, the Federal Registration of Lobbying Act, and all specialized disclosure laws, like the Byrd amendment and HUD reform legislation.

It is self-evident that Government officials should know, when they are importuned by a representative of anyone, who the principal, who the party in interest, really is. I think the public as well has a right to know about the forces shaping Government decisionmaking, who's representing whom, how much are they being paid, and what are they up to. This goal is achieved through disclosure requirements in the various lobbying laws. These same goals also underly the Federal openness statutes like the Freedom of Information Act and the Sunshine Act.

But, like these other statutes, how much disclosure is sufficient to serve the objectives of the law and the public interest is the question that needs to be addressed, and a traditional cost-benefit analysis here doesn't help very much. We can all quantify the burdens, the costs of compliance with these various laws, but it's very difficult to come up with any notion of the benefits that they provide to the public and the Congress. This doesn't mean we should either get rid of disclosures or close our eyes to the burdens and costs of them.

So, as a general matter, let me make plain where I stand on the issues as well. Like Mr. Neill, I believe in disclosure of who is paying all lobbyists and agents to influence governmental action, whether they are of foreign origin or not. I also think that the scope and the nature of these disclosures can be moderated and modulated to fit the objectives and circumstances of the parties involved. In this regard, I believe we can and should learn more about the forces that influence governmental decisionmaking when foreign principals are involved.

The chairman asked witnesses earlier when the congressional witnesses were up, Should we treat foreigners differently; why do we treat foreigners differently? I think that it is not inappropriate to have laws that apply perhaps more stringently to the representation of foreign interests, not because foreign influence is danger-

ous or evil or unwanted, but because there may be U.S. national interests—interests of taxpayers and workers, interests in our natural resources, interests in our innovation—which may not coincide with the interests of foreign governments and foreign corporations. We don't allow foreigners to influence our elections, which of course lie at the heart of governmental decisionmaking, and we certainly can do something to uncloak foreign influences in governmental decisionmaking on a day-to-day basis.

Having said that, it does seem to me that the Foreign Agents Registration Act needs amending. It is unclear. It is too narrow in scope. It is, therefore, not readily enforced. At the same time, I think we need to be careful not to go too far. For example, allocating overhead, which is required under the lobbyist registration act, seems to me provides nothing useful for the public or the Congress. I think where lawyers are involved, including in the filing, as is required today, all fees received by a client, whether for litigation or other purposes, along with a filing of perhaps a very small amount of time and fees received for lobbying purposes, is too broad and is unfair.

I also believe that, in some cases, requiring filings of those to whom the law doesn't apply seems unnecessary. You sort of hate to go through life trying to figure out what you ought to be filing to say that a law doesn't apply to you.

So, while sunlight has its disinfectant quality, it can also cause sunburn, and the ultimate problem is that public disclosures, like sunlight, are hard to harness in a cost-effective way.

I would mention very briefly, returning to the lawyers' exemption, not to defend it, but to underline what Congressman Glickman said, that there is not a broad lawyers' exemption for things that lawyers do. Lawyers who come up and lobby are not exempt under the law——

Mr. FRANK. That's clear and stipulated to. We don't need to go into it.

Mr. SUSMAN. OK. On the other hand, lawyers are subject to other canons and rules that require disclosures of client relationships, and lawyers are protected in certain privileged relationships with clients where nonlawyers are not. So, my point is simply that in deciding to sweep away any special treatment for lawyers, the nature of legal representation and traditional lawyer-client privileges should not be lost.

Finally, to list my recommendations very briefly: First, I agree again with Mr. Neill and therefore disagree with some of the earlier witnesses who believe that we ought to look narrowly at this subject and not more broadly at all lobbying statutes. A clearinghouse is good in theory, but a clearinghouse that has useless or incomplete or erroneous data will give us the same kind of garbage in, garbage out that we have in the diverse places where these forms are filed now.

When it comes to revising individual lobbying laws, it seems to me that lines ought to be bright. That will increase compliance. That will facilitate enforcement. However, for financial disclosure purposes, the intrusiveness and burdens ought to be kept in mind and categories should be broad.

Finally, Mr. Chairman, it seems to me that the Justice Department can do a lot more with what it has today. It does give advice formally and informally, but it refuses to share its written advice with other people, so that it does not have the same kind of advisory opinions that almost every regulatory agency has that provides a body of law for interpreting the statute outside of the confines of the agency. So, I would recommend to the Justice Department, even in the interim and in the absence of amendment of the statute, that efforts be made to provide more helpful public guidance.

I appreciate having the opportunity to testify today and will be willing to work with the subcommittee toward this very important legislative reform.

Mr. FRANK. Thank you, Mr. Susman.

[The prepared statement of Mr. Susman follows:]

STATEMENT OF
THOMAS M. SUSMAN
ROPES & GRAY, WASHINGTON, D.C.

BEFORE THE SUBCOMMITTEE ON
ADMINISTRATIVE LAW AND GOVERNMENTAL RELATIONS
OF THE COMMITTEE ON THE JUDICIARY
UNITED STATES HOUSE OF REPRESENTATIVES

HEARINGS ON THE
FOREIGN AGENTS REGISTRATION ACT

July 24, 1991

Mr. Chairman and members of the Subcommittee, my name is Thomas M. Susman, and I am a partner in the Washington Office of the law firm of Ropes & Gray. I appreciate having this opportunity to testify before you today on the Foreign Agents Registration Act ("FARA").

I have spent much of my time over the past decade representing clients on diverse matters before federal agencies and on legislation before the U.S. Congress. Ropes & Gray from time to time represents foreign principals and thus registers under the FARA. We also, as required, register under the Federal Regulation of Lobbying Act ("Lobbying Act"). However, my testimony today reflects only my own views; it does not purport to be those of any client of our firm, nor of the firm for that matter.

For disclosure purposes I would also point out that I am chair-elect of the American Bar Association's Section of Administrative Law and Regulatory Practice, former chair of the Section's Committee on Legislative Process and Lobbying, and editor of the Lobbying Manual, to be published this fall as an ABA guide to compliance with federal lobbying laws. I mention these affiliations solely to explain my more-than-passing interest in the FARA, but I want to stress that I am not appearing today on behalf of, or representing the views of, the ABA or any of its entities.

I have written critically on the Byrd Amendment* and had the pleasure of testifying last week before Senator Levin's Oversight of Government Management Subcommittee on the subject of the Lobbying Act. These two laws and the FARA suffer many of the same kinds of shortcomings and, as I recommend below, need to be addressed in a coordinating and consolidating way.

My testimony is divided roughly into three parts. In the first I generally describe the objectives of the FARA and why these objectives are at the same time both legitimate and difficult to achieve in a reasonable way. In the second I review why I

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* Susman & Marsh, "Byrd Shot: Congress Takes a Broad Aim at Government Contract Lobbyists," 37 Federal B.J. 387 (1990).

think that the law -- as now written and administered -- does not do a very good job in achieving its objectives. And in the third I make a few recommendations.

The FARA and its Objectives

Despite its origin as a statute aimed at unmasking purveyors of Nazi propaganda, the FARA has evolved through amendment and interpretation to become a good-government disclosure law, directed at uncloaking certain forces that influence the policies and decisions of the legislative and executive branches. In the case of the FARA, these forces of influence are, specifically, ones of foreign origin.

The law is therefore first and foremost a disclosure law. As such, has four essential parts:

- First, disclosure, at the time of a communication with a government agency, of the relationship between the person making the communication and the foreign entity that he represents.

The disclosure required here involves providing a statement of the status of the person making the communication as an agent and the identification of his principal.

- Second, disclosure of a person's identity and status as a foreign agent and filing with the Department of Justice when the communication is more broadly disseminated (falling under the definition of "propaganda").

The material must be labeled as propaganda, the agent fully identified, and the reader must be referred to the agent's registration. (Copies filed with Justice are part of a public record.)

- Third, disclosure through registration by the agent with the Justice Department before action is taken on behalf of his principal.

The registration process is highly formalized, requiring the filing of forms containing detailed information about the registrant and principal, the agreement between the two, and what the agent has agreed to do for his principal.

- Fourth, disclosure in semi-annual filings with Justice revealing the nature of the work done and payments made and received.

These "supplemental registrations" are also required to indicate any changes from the initial registration statement, to identify any political contributions made by the agent, and to describe any propaganda disseminated during the period covered.

Mr. Chairman, as with any disclosure statute it is often easier to identify and calculate the costs and burdens of compliance than the benefits. We need not look far for analogies:

> The Freedom of Information Act has long been criticized by almost all federal agencies for imposing heavy burdens and high costs, providing benefits that are often hard to quantify.

> The Government in the Sunshine Act is perennially attacked for impeding collegiality in multi-member regulatory agencies, and many open meetings are not even attended by press or the public.

> Members of Congress and higher level Executive branch officials all file financial information disclosure forms and wonder, I am sure, whether the burden of filing is counterbalanced by any increase in public confidence.

> And, of course, the other major lobbying statutes – the Federal Regulation of Lobbying Act and the Byrd Amendment – can hardly be held up as models exemplifying the benefits of disclosure to society.

I think it is simply a truism that sunlight may have disinfectant qualities, but also can cause sunburn. The ultimate problem is that public disclosures are, like sunlight, hard to harness for the public good in a cost-effective way.

I want to make clear that I am not deprecating the objectives of the FARA – or of the FOIA, the Sunshine Act, ethics disclosure laws, or lobbying laws. In fact, I fully agree with and support them. I believe in the benefits of disclosure, of an aggressive free press, and of the vigorous debate that often ensues after controversial disclosures are made.

I am just trying to place the FARA in context. And in context, Mr. Chairman, the difficulties in interpreting, complying with, and enforcing the FARA become more understandable.

Problems with the FARA

Almost since its inception the FARA has been criticized – on the one hand, as being unclear and ineffective and, on the other, as being burdensome and unnecessarily intrusive. In this case, both sides are right.

Congressional committees, the Government Accounting Office, the Congressional Research Service, academicians, public interest groups, and even the Department of Justice have found fault with the FARA over the years. Criticism basically falls into

three categories: (1) lack of clarity of the law, leading to uneven compliance; (2) overbroad exceptions and exemptions, leading to nonincluslon of persons and activities that should be covered by the act; and (3) lnadequate enforcement, whlch in large part flows from the first two.

(1) **Lack of Clarity.** The lack of clarity of the FARA works to the detriment both of those who think the law is being flouted by thousands of unregistered foreign agents, and also of those who do not now register but would do so if they thought the law more clearly requlred it. One of the most prominent areas of controversy involves the so-called "lawyers exemption," which exempts from FARA coverage lawyers engaged "in the legal representation of a disclosed foreign principal before any court of law or any agency of the Government." But this exemption does <u>not</u> include

> attempts to influence or persuade agency personnel or officials other than in the course of established agency proceedlngs, whether formal or lnformal.

The Department of Justice has, in its regulations lmplementing the FARA, further confined this exception to the lawyers exemption as covering oniy attempts to influence "with reference to formulating, adopting, or changing the domestic or foreign policies of the United States . . . ." Coupled with a separate exemption for commercial activities, this loophole is obviously large enough for an army lawyer to pass through.

But they do not ordinarily do so with any intent to evade the law. What does "legal representation" mean? What is an informal agency proceeding? Is Congress an "agency of the government" for these purposes? What is a congressional "proceeding," for that matter? Where does commerce end and policy begin? How do lawyer-client privileges affect filing requirements?

I will not try to answer these questions, but I use them to illustrate some of the reasons that the FARA is unclear in ways that are readily apparent to those who want to be informed by public disclosures, as well as to those who make reasonable assessments that the law does not apply to themselves.

(2) **Underinclusiveness.** Obviously the overbreadth of exemptions and the narrowness of coverage under the accepted definition of "foreign principal" lead to the act's missing a large number of persons who seek to influence government in ways that benefits foreign interests. The most obvious example of those not covered by the FARA are persons representing U.S. subsidiaries of foreign corporations.

The "commercial exemption" has also been identified as a source of underinclusion of persons who are thought to be representing foreign interests in a way that <u>ought</u> to be disclosed under the FARA, but who are not now covered.

Congressman Glickman's bill has as two of its main goals the expansion of the FARA's coverage to include agents working for entities that are foreign controlled, and effective elimination of the commercial exemption.

(3) **Inadequate Enforcement.** Finally, in large part because of the difficulty in interpreting the FARA and in applying its exemptions, it is not surprising that there has been a claim of inadequate enforcement through the years. In fact, the Department of Justice has been straightforward in stating that its enforcement philosophy is ordinarily to force disclosure by those who should be registering under the FARA, rather than to prosecute persons who fail to file.

Plainly, providing the Department with additional powers and instituting an array of civil penalties can go a long way toward improving enforcement of the statute. (So could increased staffing, but I am not sure I would place FARA very high on the list of federal criminal statutes in need of enhanced resources.) The first step toward improving enforcement of the law, however, should be clarifying the law. And while Justice can help here, this responsibility ultimately lies with Congress.

Recommendations

There have been a number of recommendations made through the years by almost everyone who has looked closely at the Foreign Agents Registration Act. The two bills under consideration today both contain some excellent proposals. I will not go through the list of suggestions and proposed amendments here, but will offer a few more general thoughts that I think should guide congressional action in this area.

First, Congress should put an end to the hodgepodge of laws designed, without regard to each other, to require disclosures of persons who seek to influence government. Duplication and inconsistency plague the FARA, the Lobbying Act, and the Byrd Amendment. And that is not even to mention special laws governing lobbying of HUD (42 U.S.C. § 3537(b)), lobbying by beneficiaries of maritime programs (46 U.S.C. § 1225), or lobbying by public utility holding companies (15 U.S.C. § 79*l*(i)).

Only inertia and the dispersal of committee jurisdiction over these various statutes stand in the way of uniformity and simplification. No more tinkering please; it is time to put the lobbying laws together into one consolidated and coordinated whole.

Second, Congress should keep in mind two principles when drafting or amending lobbying laws:

- *When it comes to defining coverage, lines should be bright.* If Congress does not want to undertake to draw every line, then empower the agency administering the law to do so through notice-and-comment rulemaking.

When it comes to public financial disclosures, categories should be broad. It cannot be useful to anyone to know that a particular agent has received $8,695.14 and disbursed $926.97 during a half-year period. Broader categories will make reporting more, not less, meaningful.

Third, the Department of Justice should recognize that it performs more than enforcement functions under the FARA and thus should not be so shy about giving public, even if not binding, guidance about how it intends to enforce the statute. The Antitrust Division of the Department does not even have the regulatory-type functions of the Registration Unit of the Criminal Division, and yet the Antitrust Division --

> issues guidelines (the most notable being the Merger Guidelines) to provide detailed explanations about how the Division interprets the law it enforces;

> provides public advisory opinions (business review letters) indicating what the Division's enforcement posture will be on a set of facts provided to it; and

> through speeches and testimony by policy-makers, spells out its attitudes and analyses regarding the laws it enforces.

While the Registration Unit does provide written advice today, it resists making its letters public. If the problem is sensitivity, or an expectation of confidentiality on the part of those seeking advice, the format of its correspondence can be changed to avoid disclosure of identities while still providing useful guidance (as the IRS has done for years). Legislation is not necessary for this important, though modest, step toward making compliance with the FARA more uniform and predictable.

Conclusion

The Foreign Agents Registration Act is broken and needs fixing. But Congress should take care that it does not follow the lead of the Tax "Simplification" Act a few years ago and exchange chaos for confusion in the name of simplification.

The public and Congress and Executive officials have a right to know who is being paid to influence government decisionmaking, for whom these persons are working, and roughly how much is being paid to these lobbyists and consultants, lawyers and agents. And it should not matter whether the client is domestic or foreign (though there may be a heightened curiosity, if not public interest, regarding foreign interests engaged in influencing U.S. policies).

Beyond that, such things as the substance of the relationship between the lobbyist or agent and his client, the substance of the communication between the lobbyist or agent and the Member, staff, or agency official, and the details of monies paid and

received should not be subject to public disclosure. They are ordinarily not the public's business and, even on those occasions where they might be, individual and societal interests are more likely better to be served by confidentiality than by disclosure.

This Subcommittee should expand its inquiry to include other lobbying statutes before it begins to legislate. And I suggest that any changes in the law be both clear and modest, so that the narrowness and lack of clarity in the present law do not give way simply to broader confusion and complexity.

I appreciate having the opportunity to testify today. I look forward to working with the Subcommittee toward resolution of these very important problems through meaningful legislative reform.

Mr. FRANK. Let me say, gentlemen, there's one particular point, Mr. Neill, that you mentioned which I want to explore. I invite you to submit anything further, not just in this area but in others. That is that we ought to be talking about two levels of disclosure: A level that's fairly open to the public and a secondary level, probably not as protected as IRS material, but where you would have some kind of a show-cause requirement before you could get at it.

I think that there is a problem. We have, I think, gotten into a counterproductive stage. Too much of people's private lives that is not relevant to judging what kind of a job they're doing is made available, I think, in terms of some of the disclosure. I'm inclined to believe, and I've talked to some of the administration people about this when they were recruiting for the Bush administration, that more than anything else, that's a deterrent to public service, that the disclosure forms have some negative effect on some people.

I do plan to make it the business of this subcommittee to look into how we might do a two-level situation, so that there's a general public level and, where there is some reason to go deeper, we can go deeper, not just in this case, but in other cases. I appreciate that. There's going to be an element of people who like to know other people's business, so they read about it, and there's a nonpublic purpose.

I must say in that regard I want to encourage the press to go further. It has been my experience that no matter how rigid an ethics restriction has been, in most cases the press has been all in favor of it. The press has not been sympathetic to relaxing any ethics restriction except the one that interfered with their ability to interview their sources over lunch.

I read an interesting article recently about the press welcoming that relaxation, and I welcome the press' welcoming. I just would urge my friends in the press to extend their more pragmatic scrutiny of ethics restrictions to those that don't directly affect their ability to get information from sources.

There were some very interesting comments. I think the rule in question was too rigid. There's no question that the executive branch had overreacted in saying nobody could ever buy anybody any lunch. My only point, though, is that there are rules of similar rigidity that, when some people have tried to get them relaxed, the press has been too willing to say, oh, they're opening up big loopholes. I think being more realistic as to what disclosure needs to be public and what needs to be on file is an example.

Mr. NEILL. I would fully commend that position to you. I think that it's a good one.

With respect to contacts, both with the press and with Members of Congress, I have had discussions with respect to our filings under the Foreign Agents Registration Act. I've discussed that in some detail. Many Members of Congress feel that it's not necessary to have a public filing of my conversations with them with respect to a client.

Mr. FRANK. I would say that, for some of my colleagues, saying that we thought it was not necessary to say that we had been talking to you understates the enthusiasm of the feeling.

[Laughter.]

Mr. NEILL. We have a similar requirement, Mr. Chairman, with respect to our contacts with the press. I would say they feel exactly the same way with respect to contacts where we attempt to lobby them on a position. Where they're seeking information from us it's quite a different story, but when we have to file that we had lunch with an editor of a newspaper or a reporter seeking to talk about a topic of great controversy, they find it very difficult when I explain to them that we're going to have to report that in a public filing.

Mr. FRANK. That would be a good way to keep out of the paper. You take somebody to an expensive lunch, file that, and then they'd feel intimidated against writing about it. I'll have to try that.

[Laughter.]

Mr. NEILL. I'll try that.

[Laughter.]

Mr. FRANK. I thank you. That is an area that we want to pursue, and I thank you for your testimony.

We will now hear from Mr. Richardson. He has joined us. Mr. Richardson, would you come forward, please?

STATEMENT OF ELLIOT L. RICHARDSON, CHAIRMAN, ASSOCIATION FOR INTERNATIONAL INVESTMENT, ACCOMPANIED BY NANCY McLERNON, DIRECTOR, LEGISLATIVE AFFAIRS, AND BRAD LARSCHAN, GENERAL COUNSEL

Mr. RICHARDSON. Good morning, Mr. Chairman. As you have said, my name is Richardson; first name, Elliot. I am very pleased to have the privilege of appearing before this subcommittee this morning on behalf of the Association for International Investment, of which I am the chairman. I'm not a lobbyist for any foreign company, and I'm not registered for any purpose under the Foreign Agents Registration Act.

I'm accompanied here this morning by AFII's, as we call it, director of legislative affairs, Nancy McLernon, and our general counsel, Brad Larschan, who are sitting behind me. If you have any questions that I can't answer, I hope I may be free to call on them.

Mr. FRANK. Certainly.

Mr. RICHARDSON. I have quite a long prepared statement, Mr. Chairman, and, with your permission, I would like to have it inserted in the record.

Mr. FRANK. If there is no objection, we'll make it part of the record.

Mr. RICHARDSON. Having said that, I would like to apologize for not having been here throughout the earlier part of the hearing. I had an earlier commitment to testify before a subcommittee of the Foreign Affairs Committee on the global environment——

Mr. FRANK. We don't need to go into that, Mr. Richardson. Why don't you just get to what you can testify to here?

Mr. RICHARDSON. Well, I only wanted to say that because I'm in less of a good position to know exactly what you would like me to focus on than I would have been. So, let me just say very, very briefly that the essence of our position is that what is being proposed in legislation before the subcommittee would, we think, go

beyond any clearly defined public purpose that we have heard mentioned in the context of these proposals.

Most of the members of our association are American companies. They have American employees with few exceptions. They are integral parts of the U.S. economy. The one thing that distinguishes them from other American companies is that they have a majority of shareholders who are not American, but it has never been believed up until now that this called for any differential treatment of their officers and representatives than has been true of other American companies.

What this bill says, in effect, is that they would have to register the way "foreign agents" register now. We fail to see any justification for that kind of discriminatory treatment. In any case, it derogates sharply from the policy of the United States to accord national treatment to companies with domiciles in other countries, as we consistently pursue the goal of national treatment by other countries.

It would require, we think, a showing of a kind that we are totally unaware of to justify such a sharp departure from that established policy. If there is evidence of some kind of abuse on the part of representatives of foreign companies, perhaps then that calls for some specific kind of response, but a response which says, in effect, that anybody, a director or an officer of a foreign-owned company who makes a speech on trade policy, thereby automatically falls within the registration requirement of FARA, seems to us excessive and unnecessary.

There are some 700-and-some, 775 persons registered under FARA, according to the Justice Department. Our estimate is that if H.R. 1725 were to be adopted, more than 16,000 persons would be required to register. I think basically the question is, Why? We think that, as in the case of other legislation, particularly given the volume of legislation now burdening the bureaucracy, the burden of proof is on the proponent.

That, I hope, Mr. Chairman, is enough by way of an introductory statement. I'd be glad to respond to any questions you may have.

Mr. FRANK. Thank you, Mr. Richardson. I appreciate your summarizing that. I have had a chance to read your statement, which is quite complete.

[The prepared statement of Mr. Richardson follows:]

STATEMENT
of
ELLIOT L. RICHARDSON
CHAIRMAN
of the
ASSOCIATION FOR INTERNATIONAL INVESTMENT
on
H.R. 1725
before the
SUBCOMMITTEE ON ADMINISTRATIVE LAW AND REGULATION
of the
COMMITTEE ON THE JUDICIARY
UNITED STATES HOUSE OF REPRESENTATIVES
July 24, 1991

Good morning, Mr. Chairman. My name is Elliot Richardson. I am here this morning on behalf of the Association for International Investment ("AFII"), of which I am Chairman. I am not a lobbyist for any foreign company and I am not registered for any purpose under the Foreign Agents Registration Act of 1938 ("FARA").[1]

AFII was founded in early 1988 to represent a partnership of U.S. subsidiaries of foreign companies, American-based multinationals, state governments, and American Chambers of Commerce abroad. We support the longstanding U.S. international investment policy, which encourages the free flow of capital in response to market forces.

AFII does not represent individual members -- corporate, state, or chamber -- before the Congress or the Administration on matters that affect their particular business interests. Rather, we seek to address public policy issues that concern everybody with an interest in the freedom of international investment. I am pleased to have the opportunity to appear before this Subcommittee today to address one of these issues of public policy -- whether FARA should be amended to encompass international economic competition.

I. THE FOREIGN AGENTS REGISTRATION ACT

A. The Application of FARA

FARA applies to any person acting as an agent on behalf of a foreign principal (i.e., a "foreign agent").[2] Although certain commercial activities are exempted, political activities of foreign agents fall directly within FARA's scope.[3]

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[1] The Foreign Agents Registration Act of 1938, Pub. L. No. 775-583, 52 Stat. 631 (codified as amended at 22 U.S.C. 611 (1988).

[2] 22 U.S.C. 612(a).

[3] 22 U.S.C. 613.

FARA defines the term "foreign principal" as a foreign government or political party, a person outside the United States, or an entity that is organized under the laws of a foreign country or has its principal place of business abroad.[4] FARA broadly defines the terms "foreign government" and "foreign political party." For example, the term foreign government includes de facto and de jure governments, plus any insurgents claiming authority.[5]

An "agent of a foreign principal" is defined as a person who is supervised, controlled, financed, or subsidized by a foreign person and (1) engages in political activities in the United States; (2) acts as a public relations counsel or political consultant in the United States; (3) solicits or distributes contributions, money, or other things of value within the United States; or (4) represents the interests of the foreign principal before any agency or official of the United States government.[6]

Under FARA's current definition of "foreign principal," persons and entities who work for or on behalf of foreign-owned U.S.-incorporated businesses are not generally considered "agents of foreign principals."[7]

B. Exemptions from FARA

FARA does not apply to all activities by U.S. agents on behalf of foreign principals. There are two main exemptions, the first of which is the so-called "attorneys exemption," which exempts lawyers who represent foreign interests in purely commercial matters.[8]

In addition, foreign-owned or controlled U.S. companies are not generally required to register under the two distinct, although similar, "commercial exemptions." The first, the "commercial" variant of the commercial exemption, provides that FARA does not apply to persons who engage only "in private and nonpolitical activities in furtherance of the bona fide trade or commerce of such foreign principal."[9]

The second, the "political" variant of the commercial exemption, provides that FARA does not apply to foreign agents who engage only "in other activities not serving predominantly a foreign interest" even though they may be political in nature --

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[4] 22 U.S.C. 611(a).

[5] 22 U.S.C. 611(e).

[6] 22 U.S.C. 611(c).

[7] 22 U.S.C. 611(b).

[8] 22 U.S.C. 613(g).

[9] 22 U.S.C. 613(d)(1)(emphasis added).

so long as such activity is in furtherance of some domestic commercial endeavor.[10]

Under these two exemptions, a domestic business' (1) commercial and (2) political activities are not considered to "serve predominantly a foreign interest" merely because these activities would also benefit the interests of the foreign entity that owns or controls (or is owned by or controlled by) the domestic business. It is clear that both the "commercial" and "political" commercial exemptions apply as long as (1) the foreign party and subject activities are not directly or indirectly supervised or subsidized by a foreign government or political party; (2) the identity of the foreign party is disclosed to any U.S. agency or official with whom such activities are conducted; and (3) the activities are in furtherance of the bona fide commercial interests of the domestic party.[11] Admittedly, it is not always clear where one draws the line with these exemptions.

II. H.R. 1725 WOULD BROADEN FARA'S SCOPE

H.R. 1725, introduced by Rep. Dan Glickman, would amend FARA in four ways, by:

-- broadening FARA's scope to define a foreign-owned U.S. company as a "foreign principal";

-- narrowing substantially current law exemptions for commercial activity;

-- renaming "foreign agents" as "representatives of foreign principals," and incorporating many employees and consultants of American-owned U.S. companies in this category; and

-- requiring those relying on an exemption to notify the Justice Department.

H.R. 1725 would broaden FARA's definition to provide that a "foreign principal" would be considered to control a person/entity "in major part" if the foreign principal holds more than 50 percent equitable ownership in the person/entity or, subject to rebuttable evidence, if the foreign principal holds at least 20 percent but not more than 50 percent equitable ownership. H.R. 1725 would change the criterion to ascertain a foreign principal from a <u>place of incorporation</u> test to a test based on <u>equity ownership</u>. As a result, any person acting as an agent, representative, or employee at the "order, request, or under the direction or control" of an entity with 20 percent or more foreign ownership likely would be subject to FARA's registration and reporting requirements.

H.R. 1725 would narrowly circumscribe the current "commercial commercial" and "commercial political" exemptions.

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[10] 22 U.S.C. 613(d)(2).

[11] 22 U.S.C. 611(g).

Permissible governmental contact would be limited to responding to direct requests by a U.S. government agency or official or in the context of a formal judicial or administrative proceeding.

The Glickman bill would eliminate the term "agent of a foreign principal" and create a new category, "representatives of foreign principals," who would be required to register with the Justice Department. This category would also include persons not controlled by a foreign principal but "who engage[] in political activities for purposes of furthering commercial, industrial, or financial operations with a foreign principal." This would sweep within FARA's ambit a wide range of lobbying activities by individuals and corporations who seek to benefit their business interests and who incidentally benefit those of a foreign entity as well.

Finally, the Glickman bill would require all parties relying on this narrow exemption to so notify the Justice Department.[12] This provision would appear to require registration and disclosure of a "commercial" commercial exemption, even though no political activity is involved. Hence, it constitutes a foreign direct investment registration requirement.

III. AFII OPPOSES H.R. 1725 BECAUSE IT EXTENDS FARA TO INTERNATIONAL ECONOMIC COMPETITION, DISCRIMINATES AGAINST FOREIGN-OWNED U.S. COMPANIES BY ADDING BURDENSOME NEW REPORTING REQUIREMENTS, AND VIOLATES "NATIONAL TREATMENT" OBLIGATIONS

A. H.R. 1725 Would Convert FARA from a National Security Safeguard into a Foreign Investment Registration and Reporting System Unrelated to National Security

In introducing H.R. 1725, Rep. Glickman noted "the need for the United States to aggressively promote its own economic interests through public policy."[13] H.R. 1725 seeks to promote America's economic interests by equating international economic competition with national security and attempting to expand FARA to meet this new task.

FARA was enacted because of Congress' concern that fascist and communist governments would attempt to subvert the U.S. government through the use of propaganda.[14] FARA has also been

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[12] The Glickman bill would also narrow the so-called attorneys exemption. In addition, the bill proposes to replace some of FARA's terminology with less value-laden language; for example, FARA would be renamed the "Foreign Interests Representative Act," and the term "political propaganda" would be dropped in favor of "promotional or informational materials."

[13] Statement of Rep. Dan Glickman at 2 (Apr. 11, 1991).

[14] See, e.g., Hearing Before the Subcomm. on Oversight of Government Management of the Senate Comm. on Governmental Affairs, 102d Cong., 1st Sess. (June 20, 1991)(prepared statement of Mark Richard, Dep. Asst. Attorney Gen'l).

used to address espionage and other national security-related activities conducted on behalf of foreign governments in the United States. As such, FARA has served as an instrument to safeguard America's national security.

H.R. 1725 represents a radical departure from FARA's national security orientation. No national security purpose is served by requiring employees, consultants, and others working on behalf of foreign-owned U.S. corporations to register as foreign agents.

Foreign direct investment in America takes place because foreign companies want to share in the benefits of what is still the most open, dynamic, and exciting economy in the world. And, once having invested in this country, the foreign-owned U.S. company is subject to U.S. law and is under constant scrutiny by the American public and press.

The implication of H.R. 1725 is that foreign-owned U.S. companies are prepared to behave in ways that may be inconsistent with the interests of the United States. This is a very serious charge, but I believe it is baseless. I believe that the American executives who run these subsidiaries and their American employees are no different from their counterparts in American-owned U.S. companies.

B. H.R. 1725 Would Not Give Policymakers an Understanding of Who Is Influencing the Political Process

Rep. Glickman has stated that another purpose of H.R. 1725 is "simply to shed sunshine on lobbying by foreign interests so legislators, administrators and the American public are aware of who is working to influence public policy, and who is paying for it."[15] AFII agrees that Congress and the Executive branch should know who is attempting to shape policy decisions. However, we believe H.R. 1725 would fall far short of accomplishing this goal.

The public interest is not well served by imposing added disclosure requirements only on foreign-owned U.S. companies -- which, after all, account for less than 5 percent of all U.S. corporate activity. If policymakers wish to learn who is influencing decisions, and how much money they spend doing it, this information should be collected from all groups -- American and foreign-owned corporations, labor unions, trade associations, and so forth. The simplest and most appropriate way to collect this information is through the Lobbying Act, which was created to serve this very purpose. By broadening FARA to do in small part what the Lobbying Act was designed to do may, at best, give policymakers incomplete information. Not only will the government then have available information on those attempting to influence public policy, but we will have avoided the discriminatory effects of H.R. 1725.

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[15] See Statement of Rep. Dan Glickman, supra note 13, at 1.

c. H.R. 1725 Would Discriminate Against Foreign-Owned U.S. Companies and Violate the U.S.' Obligation to Accord "National Treatment"

H.R. 1725 seeks to place foreign-owned U.S. companies in a disadvantaged position vis a vis similarly-situated American-owned U.S. companies. Such unequal treatment would conflict with the U.S.' obligation to accord foreign-owned U.S. companies national treatment.

The Supreme Court of the United States has held that "national treatment of [foreign-owned U.S.] corporations means equal treatment with domestic corporations."[16] This obligation arises under treaties of Friendship, Commerce, and Navigation ("FCN Treaty"),[17] Bilateral Investment Treaties,[18] and the OECD National Treatment Instrument and Code of Liberalisation of Capital Movements. For example, Article VII, paragraph 1, of the FCN Treaty between the United States of America and the Kingdom of The Netherlands requires the United States to accord Dutch-owned U.S. companies treatment no less favorable than similarly-situated American-owned U.S. companies.[19] In addition, Article XXIII, paragraph 3, of the FCN Treaty provides that Dutch-owned companies incorporated in the United States are deemed to be companies of the United States, rather than of The Netherlands.[20] They therefore "are entitled to the rights and subject to the responsibilities of other domestic corporations"[21] -- in other words, they are entitled to national treatment -- because they are, in fact, domestic corporations. The same is true, for example, for companies a majority of whose shareholders are German,[22] Greek,[23] Irish,[24]

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[16] Sumitomo Shoji American, Inc. v. Avagliano, 457 U.S. 176, 188 n. 18 (1982).

[17] This obligation arises under the 16 FCN treaties entered into since 1946.

[18] The BIT program, initiated by the United States in 1981, was designed to encourage international investment. To date, the United States has signed 13 BITs, six of which have entered into force.

[19] Treaty of Friendship, Commerce and Navigation, Dec. 5, 1957, United States-The Netherlands, 8 U.S.T. 2043, T.I.A.S. No. 3942.

[20] Id.

[21] Sumitomo, 457 U.S. at 188.

[22] Treaty of Friendship, Commerce and Navigation, July 14, 1956, United States-FRG, art. VII, para. 1, 7 U.S.T. 1839, T.I.A.S. No. 3593.

[23] Treaty of Friendship, Commerce and Navigation, Oct. 13, 1954, United States-Greece, art. XIII, para. 2, 5 U.S.T. 1829, T.I.A.S. No. 3057.

Israeli,[25] and Japanese.[26] By discriminating against foreign-owned U.S. companies, the U.S. would derogate from its international obligation.

IV. IMPACT OF FARA'S AMENDMENTS ON U.S. BUSINESS ACTIVITIES

The proposed amendments to FARA would have significant implications for foreign-owned U.S. companies, as well as their officers and employees. Registration under FARA does not place any legal proscription on the activities in which a foreign agent may engage or the materials the agent may disseminate. In practice, however, the stigma of registration under FARA, the taint of labeling materials disseminated with the requisite FARA statement, and the complicated filing procedures may discourage many activities. Consequently, expanding the scope of those required to register and file under FARA could have a significant impact on even the most innocuous business activities.

Consider, for example, the impact on Acme Widget Company of America, a foreign-owned or controlled U.S. company.[27] To begin, Acme Widget Company probably would have to file a detailed registration statement with the Attorney General, and would have to file biannual supplements thereafter, unless Acme could meet the requirements of one of the commercial exemptions. (Under the Glickman bill, even if Acme was relying on an exemption to FARA registration, Acme would nevertheless have to notify the Attorney General and might be subject to burdensome regulations, even if it engaged in no political activity). In addition, all Acme Widget employees, consultants, and other agents who engage in political, public relations, informational, financial, or lobbying activities would be required to file a FARA registration statement.

Consequently, an Acme officer or employee delivering a speech at the local Rotary Club in support of trade legislation

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[24] Treaty of Friendship, Commerce and Navigation, Sept. 14, 1950, United States-Ireland, art. VI, para. 2, 1 U.S.T. 785, T.I.A.S. No. 2155.

[25] Treaty of Friendship, Commerce and Navigation, Apr. 3, 1954, United States-Israel, art. VII, para. 1, 5 U.S.T. 550, T.I.A.S. No. 2948.

[26] Treaty of Friendship, Commerce and Navigation, Oct. 30, 1953, United States-Japan, 4 U.S.T. 2063, T.I.A.S. No. 2863.

[27] It should be observed that it is often impossible to know on a given day whether publicly held cospanies are, in fact, "American" or "foreign"-owned. Given the rapidity with which institutional investors move into and out of equity positions, no widely held company could ever hope to determine with certainty the nationality of its shareholders on a daily basis. Indeed, even a relatively minor investment by one or more passive foreign investors (e.g., a foreign-based bank, life insurance company, or pension fund) could determine whether a company, such as Acme Widget, is foreign-owned or controlled.

who made available copies of the speech to the audience or the press would have to label the speech with an identifying statement, including a statement that he or she is registered with the Department of Justice as a foreign agent or representative. The Acme speaker would also have to file, within 48 hours of its delivery, two copies of the speech with the Attorney General, along with a statement setting forth information regarding the place, time, and extent to which the speech was transmitted. On a practical level, an Acme employee might be reluctant to make any speech arguably involving international issues because of the potential FARA "taint."

Under the Glickman bill (H.R. 1725) -- even if Acme had no foreign ownership whatsoever, but simply engaged in overseas business -- the Acme speaker would have to register under the statute as a "representative of a foreign principal," label the trade policy speech accordingly, and file copies with the Department of Justice. Indeed, Rep. Glickman explained in introducing H.R. 1725 that this legislation would extend coverage to a whole new category of American-owned U.S. corporations whose lobbying activities would further the interests of foreign entities as well as their own.[28] He stated that:

> American corporations who, for example, seek action to end sanctions against a foreign country or company or ask the government to refrain from enforcing the trade laws have the same effect as if the foreign entity did the lobbying directly and should be required to register.[29]

This provision would make American-owned U.S. companies submit to onerous FARA requirements for simply engaging in business activities with foreign entities. Moreover, these businesses could have to file under FARA for merely engaging in public relations activities or lobbying the U.S. government to promote their international trade operations.

V. IMPACT OF FARA AMENDMENTS ON OTHER STATUTORY SCHEMES

In addition to expanding the coverage of FARA itself, the proposed amendments to FARA's definitions would affect a variety of other statutory schemes that expressly incorporate FARA's definition of "agent of a foreign principal." For instance, several statutes prohibit persons who act as "agents of a foreign principal" as defined under FARA from serving as Members of Congress, government employees, and members of quasi-governmental commissions. By broadening the scope of persons required to register under FARA, the proposed amendments could, for example, create conflicts for public officials affiliated with U.S. corporations that have more than 20 percent foreign ownership. In addition, other statutory schemes that reference FARA provisions and definitions may also be indirectly

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[28] See, supra, the discussion at Section I.A.

[29] Statement of Rep. Dan Glickman, supra note 13, at 2.

affected. Most notably, H.R. 1725 would have the effect of prohibiting foreign-owned U.S. corporate PACs.

A. Statutes That Expressly Incorporate FARA's Definition of "Agent of a Foreign Principal"

1. 18 U.S.C.A. § 219(a) (Supp. 1991): This criminal statute provides that "public officials," including Members of Congress and federal and D.C. government employees, shall not act "as an agent of a foreign principal required to register under the Foreign Agents Registration Act of 1938, as amended." This prohibition would presumably extend to serving as an officer, director, or trustee of a corporation, partnership or other legal entity with 20 percent or more foreign equity ownership.

2. 15 U.S.C.A. §§ 4804(e), 4809(4) (Supp. 1991): This statutory scheme establishes a twelve member Competitiveness Policy Council for the purpose of developing recommendations and long-range strategies for promoting the international competitiveness of U.S. industries. The law provides that "[a] member of the Council shall not serve as an agent for a foreign principal." 15 U.S.C.A. § 4804(e) (Supp. 1991) (conflict of interest). For purposes of the law, "the term 'agent of a foreign principal' is defined as such term is defined under section 611(d) [sic] of Title 22 subject to the provisions of section 613 of Title 22." Id. § 4809(4) (the statute probably means to refer to 22 U.S.C. § 611(c)).

3. 22 U.S.C.A. § 4002 (Supp. 1991): This statute establishes selection boards to evaluate the performance of members of the Senior Foreign Service and members of the Service assigned to a salary class in the Foreign Service Schedule. A 1990 amendment provides that "[n]o public members appointed to this section may be, at the time of their appointment or during their appointment, an agent of a foreign principal (as defined by section 611(b) of this title) . . .." Although this statute refers to 22 U.S.C. § 611(b), which defines foreign principal, an amendment to section 611(c) defining agent of a foreign principal could arguably be relied upon in interpreting this statute.

4. 48 U.S.C.A. § 1681 (1987) (Historical and Statutory Notes): This statute provides for the continuance of civil government of the Trust Territory of the Pacific Islands. The Historical Notes reprint, among other things, the Compact of Free Association Act of 1985. Section 105(f)(1) of the Act states that for purposes of FARA provisions that apply to an "agent of a foreign principal" the Federated States of Micronesia and the Marshall Islands shall be considered to be foreign countries.

B. Other Statutes Affected

FARA definitions other than "agent of a foreign principal" are referenced in other statutory schemes. For example, the Federal Election Campaign Act, which prohibits contributions by foreign nationals, references the definition of "foreign principal" as defined in FARA. 2 U.S.C.A. § 441e (1985)

(disclosure of campaign funds). In addition, 18 U.S.C. § 207(f) (Supp. 1991), which sets forth restrictions on former officers, employees, and elected officials of the executive and legislative branches, incorporates FARA's definition of "foreign entity" in restricting certain representation, aid, or advice to foreign entities.

Moreover, 22 U.S.C.A. § 5101 (1990) requires the U.S. Attorney General to prepare a report to Congress on actual and alleged violations of FARA and the status of any investigation pertaining thereto by representatives of governments or opposition movements in subSaharan Africa (including members of the African National Congress).

Finally, 50 U.S.C.A. 50 App. § 34(a) (1990), the section of the Trading with the Enemy Act that sets forth defenses to payment of debts by the Alien Property Custodian, provides that no debt claim shall be allowed if at the time of vesting or transfer to the Alien Property Custodian the debt was due and owing to any person who has since the beginning of the war been convicted of a violation of "the Act of June 8, 1934," as amended. (The statutory notes to this section clarify that this reference probably means the Act of June 8, 1938, i.e., FARA.) Consequently, broadening the definition of "agents of foreign principals" and, in turn, potential liability under FARA, could impact these statutes as well.

VI. CONCLUSION

Perhaps the fundamental question in the debate on the foreign investment "issue" -- and I count our discussion today a part of this debate -- is by what measure do we distinguish (and of what relevance is such a distinction) between American and foreign-owned U.S. companies?

For most purposes, corporations established under the laws of a state of the United States are considered U.S. companies, whether American or foreign-owned, although exceptions exist in areas fundamentally related to the sovereignty of the nation, such as national security and the electoral process. "National treatment" has been a cornerstone of U.S. international economic policy since the end of the Second World War and is a principle the United States has negotiated for abroad.

Simply stated, the nationality of the owner of the shares of a company is increasingly irrelevant. What difference does it make if a U.S. company is American or foreign-owned? Does the nationality of the ownership of the shares of a U.S. company, for example, automatically affect American competitiveness? After all, shares of many multinational corporations are traded on exchanges around the world. What importance should we attach to foreign-owned companies' employment, sales, research and development conducted in the U.S., and so on? Questions such as these are raised by the internationalization of industries and the globalization of markets, which has profoundly transformed business. Prof. Robert Reich has noted that "the competitiveness of American-

owned corporations is not the same as American competitiveness."[30] Corporations base their business decisions not on the national interest but on the best interests of the corporation.

By defining a foreign principal in terms of ownership of equity shares, H.R. 1725 perpetuates the myth that share ownership is somehow relevant. It is, in fact, largely irrelevant. The fact is that foreign-owned U.S. companies are generally indistinguishable from their American-owned counterparts. H.R. 1725 also assumes that foreign-owned U.S. companies will behave differently than American-owned U.S. companies. AFII is unaware of any evidence to support that conclusion. What H.R. 1725 will do is to disadvantage foreign-owned U.S. companies -- and some American-owned U.S. companies involved in international trade -- to the benefit of their competitors. For these reasons, AFII opposes H.R. 1725.

I would like to close by thanking the Subcommittee for inviting my testimony. I welcome any questions you may have.

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[30] Reich, "Who Is Us?," Harv. Bus. Rev. 53, 54 (Jan.-Feb. 1990).

Mr. FRANK. I would just ask you, now or maybe even in the future, one very relevant point, particularly given your own grounding in international law. One of the points that the State Department raised, which you also raised on page 10 of your statement, has to do with the treaty obligations we have to accord national treatment. The State Department, as you can imagine, was a little reluctant to argue that this would be a treaty violation since they might find themselves defending against the accusation that it was a treaty violation later on.

If you could in writing elaborate on that, I would find that very useful; that is, would it be a violation of the specific treaties that we've got, the bilateral treaties with others, if we were to do this? I think that would be particularly helpful to us.

Mr. RICHARDSON. I would be glad to do that, Mr. Chairman, but I would like to emphasize the point that, whether it is or not, we're dealing with an issue of policy.

[The information follows:]

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MR. RICHARDSON'S RESPONSE TO THE CHAIRMAN

Q: Please provide a detailed written analysis of how H.R. 1725 would violate U.S. international legal obligations to accord 'national treatment' to foreign-owned U.S. companies.

A: The U.S. has entered into a series of international agreements to accord foreign-owned U.S. companies 'national treatment,' by which we mean treatment no less favorable than that accorded similarly-situated American-owned U.S. companies. Under U.S. law and policy, foreign-owned companies are entitled to national treatment unless a specific exemption applies. There are two relevant exceptions to the U.S.' obligation to accord national treatment: (1) for activities involving "essential security interests" and (2) for "political activities." Since H.R. 1725 would impose burdensome reporting and disclosure requirements on foreign-owned U.S. companies, it raises national treatment concerns unless one of the two exceptions apply. Because H.R. 1725 seeks to regulate international economic competition and falls outside of traditional "essential security" and political concerns, it is inconsistent with the U.S. international obligation to accord national treatment. My detailed analysis follows.

I. NATIONAL TREATMENT

A. Defined

The Supreme Court of the United States has stated that "national treatment of [foreign-owned U.S.] corporations means equal treatment with domestic corporations."[1] This obligation arises under various international agreements, including "modern" treaties of Friendship, Commerce, and Navigation ("FCN"),[2] Bilateral Investment Treaties ("BITs"),[3] the Canada-USA Free

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[1] Sumitomo Shoji American, Inc. v. Avagliano, 457 U.S. 176, 188 n. 18 (1982).

[2] "Modern" FCN treaties are the 16 such agreements the U.S. has entered into since 1946.

[3] The BIT program, initiated by the United States in 1981, was designed to encourage international investment. To date, the United States has signed 13 BITs, six of which have

Trada Agrsement, and the OECD National Treatment Instrument ("NTI"). A fundamental tenet of thaaa intarnational agreements is national treatment.[4] Ths Stats Department's modsl FCN treaty dafines national traatment as "trsatment accorded within ths territoriss of a Party upon tsrms no less favorabls than ths trsatment accorded thsrsin, in liks situations, to nationals, companies, producta, vesssls or othsr subjects, as tha caas may be, of such Party."

Ons of ths U.S.' principal architacts of tha "modern" FCN treaty, Hsrman Walker Jr., [5] noted that

> the basic rula to govern conduct of [the commercial activity of forsign-owned U.S. corporations] haa long aincs been settlad, in Unitad Stataa traaty practics, as 'national treatment': that is, equality of traatmant as between the alian and the citizan of tha country. Tha formar thus is antitled fraely to carry on hia choaen businssa under conditions of non-discrimination, and to enjoy ths sams legal opportunity to aucceed and prosper on his marita as is allowed citizans of tha country.[6]

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sntared into force.

[4] Tha Department of Stats aat forth the FCN treatias' thraa fundamental purposaa aa follows:

> (a) national treatment with respect to sntry into the ganaral run of commercial and industrial activities; (b) nondiscriminatory traatmant of all satabliahed sntarprisas ragardlass of fiald, and (c) rsaaonable provision for withdrawal of earnings and transfer of capital whsn exchangs controla are found necessary.

Memorandum from U.S. Department of Stata to ths Amarican Embaasy in Tokyo (Aug. 16, 1962).

[5] Sumitomo, 457 U.S. at 181, n. 6.

[6] Walkar, "Traaties for ths Encouragament and Protaction of Foraign Investment: Presant United Statea Practica," 5 AM. J. Comp. L. 229, 232 (1956). See also MacNamara v. Korean Air Lines, 863 F.2d 1135, 1143 (3d Cir. 1988) (stating that the atandard of national treatment ia dasigned to put foreign businessea on equal footing with American companies, enabling them to conduct their "businesa under conditiona of non-discrimination, and to anjoy the same legal opportunity to auccead and prosper on [their] merita as ia allowed citizena of tha [United Statea]" (quoting Walker, id.).

B. The International Legal Obligation to Accord National Treatment

1. Treaty Obligations

All of our BITs and most of our "modern" FCN treaties involve an undertaking by the U.S. "to accord national treatment to established foreign investment."[7] The Department of State's model BIT "accords national treatment to 'investment, and activities associated therewith.'"[8] All operational aspects of the foreign-owned company are defined as "associated activities."[9]

FCN treaties were initiated by the Department of State with a view to breaking down barriers to American investment abroad. The primary purpose of the modern FCNs is to assure foreign-owned corporations "the right to conduct business on an equal basis [with domestic companies] without suffering discrimination based on their alienage."[10] For example, Article VII, paragraph 1, of the FCN Treaty between the United States of America and the Kingdom of The Netherlands requires the United States to accord Dutch-owned U.S. companies treatment no less favorable than similarly-situated American-owned U.S. companies.[11] In addition, Article XXIII, paragraph 3, of the FCN provides that Dutch-owned companies incorporated in the United States are deemed to be companies of the United States, rather than of The Netherlands.[12] They therefore "are entitled to the rights, and subject to the responsibilities of other domestic corporations"[13] -- in other words, they are entitled to national treatment -- because they are, in fact, domestic corporations.

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[7] Hearing on H.R. 1725 Before the Subcomm. on Administrative Law and Governmental Relations of the House Comm. on the Judiciary, 102d Cong., 1st Sess. (July 24, 1991) (statement of Stephen B. Gibson, Dir., Investment Affairs, State Dep't).

[8] Id.

[9] Id.

[10] Sumitomo, 457 U.S. at 188.

[11] Treaty of Friendship, Commerce and Navigation, Dec. 5, 1957, United States-The Netherlands, 8 U.S.T. 2043, T.I.A.S. No. 3942.

[12] Id.

[13] Sumitomo, 457 U.S. at 188.

Tha eame is trua, for axample, for companiae a majority of whosa eharaholdere are Garman,[14] Greek,[15] Irish,[16] Ieraeli,[17] and Japanase.[18]

2. OECD Netional Treetment Inetrument

The NTI coneiste of the Declaration on International Investmant and Multilateral Enterprieee (the "1976 Declaration") and the Deciaion of the Council on National Treatment. The 1976 Declaration -- a hortatory inetrument -- focuses on invastmants by foreign-owned companiee and branches of foreign companiee alraady eetabliehed in the hoet country. The Council Deciaion eets forth procaduras for OECD notification of measures takan by e mamber etate "conetituting exceptione" to national treatmant and for consultation at the raquast of a member etate regarding any matter relatad to the NTI.

In 1976, the OECD mamber statas declarad that foreign-controlled enterprises operating in their tarritory should be treated no lese favorably than domestic enterprieas in like eituations. Tha 1976 Declaration specifically provides that:

> Mamber countriee ehould . . . accord to enterprieas operating in their territoriee and owned or controlled diractly or indirectly by nationele of anothar Mamber country (herainafter referred to ae "Foreign-Controlled Entarprieae") traatment under thair lawe, regulatione and adminietrative practicee, consietent with international law and no lese favourabla than that accordad in like situatione to domastic anterprises

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[14] Traaty of Friendehip, Commarce and Navigation, July 14, 1956, Unitad States-FRG, art. VII, para. 1, 7 U.S.T. 1839, T.I.A.S. No. 3593.

[15] Traaty of Friandship, Commerce and Navigation, Oct. 13, 1954, United States-Greece, art. XIII, para. 2, 5 U.S.T. 1829, T.I.A.S. No. 3057.

[16] Traaty of Friendship, Commarce and Navigation, Sept. 14, 1950, United Statas-Ireland, ert. VI, para. 2, 1 U.S.T. 785, T.I.A.S. No. 2155.

[17] Treaty of Friendship, Commerce and Navigation, Apr. 3, 1954, United Statae-Ieraal, art. VII, para. 1, 5 U.S.T. 550, T.I.A.S. No. 2948.

[18] Treaty of Friandehip, Commarce and Navigation, Oct. 30, 1953, United Stetee-Japan, art. VII, para. 1, 4 U.S.T. 2063, T.I.A.S. No. 2863.

(hereinafter referred to as "National Treatment")[.][19]

An OECD publication noted that national treatment "is considered to be central to establishing a favourable climate for foreign investment and to encouraging foreign-controlled enterprises to contribute to economic and social progress."[20]

II. EXCEPTIONS TO NATIONAL TREATMENT

Two types of activity are generally excepted from the obligation to accord national treatment: (1) activity relating to "essential security interests" and (2) "political" activity.

A. National Security Exception

The U.S.' obligation to accord national treatment to foreign-owned U.S. corporations does not extend into the reserved domain of national security. For example, national treatment is not accorded to measures "necessary to protect . . . essential security interests".[21] Although "national security" is not defined in the FCN treaties, Article XXIV of the FCN between the United States and Germany puts the exception in the following context:

> 1. The present Treaty shall not preclude the application by either party of measures:
>
> (a) regulating the importation or exportation of gold, silver, platinum and the alloys thereof;
> (b) relating to fissionable materials, to radioactive by-products of the utilization or processing thereof, or to materials that are the source of fissionable materials;
> (c) regulating the production of or traffic in arms, ammunition and implements of war, or traffic in other materials carried on directly or indirectly for the purpose of supplying a military establishment;
> (d) necessary to fulfill its obligations for the maintenance or restoration of international peace and security, or necessary to protect its

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[19] 1976 Declaration, para. I.1.

[20] OECD, National Treatment for Foreign-Controlled Enterprises 7 (1985).

[21] See, e.g., Treaty of Friendship, Commerce and Navigation, Oct. 30, 1953, United States-Japan, art. XXI, para. 1(d), U.S.T. 2063, T.I.A.S. No. 2863.

essential security interests; . . . .[22]

Although undefined, it would appear from the foregoing that the national security exception in FCN treaties was intended to be limited.

B. Political Exception

The other general exception to the national treatment obligation is the reserved domain of "political" activities. Typical of the language relating to this exception is the FCN between the United States and Germany which provides that nothing therein "shall be deemed to grant or imply any right to engage in political activities."[23] Once again, this term was not defined in the treaty.

The "political" activities exception was considered routine in U.S. treaty negotiations. Consequently, there was virtually no discussion of the meaning and scope of this provision. In treaty negotiations with Japan, for instance, negotiators discussed the placement of the political activities exception within the treaty without ever substantively discussing the merits of the provision.[24] Thus, neither the treaty language nor the negotiating documents shed light on "political" activities which were to be excluded from the national treatment obligation. However, it is clear that in treating "political" activities as an exception, the drafters likely intended that it be narrowly construed.

III. H.R. 1725 WOULD VIOLATE THE U.S.' OBLIGATION TO ACCORD NATIONAL TREATMENT TO FOREIGN-OWNED U.S. COMPANIES

A. H.R. 1725 Would Convert FARA From a National Security Safeguard Into a Foreign Investment Registration and Reporting System Unrelated to National Security.

FARA was enacted because of Congress' concern that fascist and communist governments would attempt to subvert the U.S.

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[22] Treaty of Friendship, Commerce and Navigation with protocol and exchange of notes, July 14, 1956, United States-Federal Republic of Germany, 7 U.S.T. 1839, T.I.A.S. No. 3593.

[23] Id. at art. VIII, para. 2.

[24] See U.S. Foreign Service Memorandum of Conversation at 2 (Fourteenth Informal Meeting, Tokyo, Apr. 8, 1952).

government through the use of propagande.[25] FARA has elso been ussd to address eapionags and other national security-related activities conducted on behalf of foreign governments in the United States. FARA did not prohibit propagende or other activities; rather, it required the public disclosure of such efforts so that policymakers end the public were awere of the source of these activities. As such, FARA wae a narrowly drawn law relating to the "eaaential security interests" of the United States.

In introducing H.R. 1725, Rep. Dan Glickman identified America's ability to compete in the global economy es the "problem" he sought to address with this legislation. He noted "the need for the United Stetes to eggressively promote its own economic interests through public policy."[26] H.R. 1725 seeks to address thia, in part, by gathering information on and subjecting foreign-owned U.S. companies to burdensome reporting requirements using FARA as a vehicle. While it is open to question whether H.R. 1725 would, in fact, "aggreaaively promote [America's] economic interests", the registration and reporting requirements would require certain U.S. companies to disclose business-sensitive information merely because their shares are foreign-owned. H.R. 1725 is thus intended to eerve an economic purpose, and is not related to the "essential eecurity interests" of the U.S. Consequently, to would cause the U.S. to derogate from its international obligation to accord nationel treatment.

H.R. 1725 represents e marked departure from FARA'e national security orientation. No national security purpose ie eerved by requiring employees, consultants, and othere working on behalf of foreign-owned U.S. corporations to regieter aa foreign agente. After all, foreign direct investment in America takes place because foreign companies want to share in the benefits of whet is still the most open, dynamic, and exciting economy in the world. And, once having invested in this country, the foreign-owned U.S. company is eubject to U.S. lew and is under constant ecrutiny by the American public and press. Foreign-owned U.S. companies are, in fact, lergely indistinguishable from their American-owned competitore.

The implication of H.R. 1725 is that foreign-owned U.S. companiee are prepared to behave in waye that may be inconaistent with the interests of the United States. This is a very serioue charge, but I believe it is baseless. I believe that the

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[25] See, e.g., Hearing Before the Subcomm. on Oversight of Government Management of the Senate Comm. on Governmental Affairs, 102d Cong., 1st Sess. (June 20, 1991) (prepared statement of Mark Richard, Dep. Asst. Attorney Gen'l).

[26] Statement of Rep. Dan Glickman at 2 (Apr. 11, 1991).

American executives who run these subsidiaries and their American employees are no different from their counterparts in American-owned U.S. companies.

B. H.R. 1725 Would Convert FARA From an Instrument Designed to Protect the Sanctity of the Political Process From Foreign Influence Into a Tool to Regulate International Economic Competition

As I touched on a moment ago, FARA does not prohibit any activities; it does, however, require registration of foreign persons and their agents engaged in a broad range of "political" activity. The purpose of this aspect of FARA is straightforward and consistant with the "political" activities exception in our FCNs.

However, when a multinational corporation operates a subsidiary which is incorporated in the U.S., it is entitled by virtue of this country's international undertaking to national treatment in the pursuit of its economic activity.

The question is whether the activities H.R. 1725 seeks to cover are "political" within the meaning of the exception to our FCNs, or whether these activities are a normal part of pursuing economic activity in the United States. I believe the latter is the case. The activities that H.R. 1725 seeks to cover are the ordinary administrative and legislative activities a major U.S. company would engage in, whether American or foreign-owned. Indeed, H.R. 1725 would apply to foreign-owned U.S. companies but not to similarly-situated American-owned U.S. companies. As such, H.R. 1725 would affect the ordinary economic activities of foreign-owned U.S. corporations entitled to national treatment.

Rep. Glickman has stated that another purpose of H.R. 1725 is "simply to shed sunshine on lobbying by foreign interests so legislators, administrators and the American public are aware of who is working to influence public policy, and who is paying for it."[27] AFII agrees that Congress and the Executive branch should know who is attempting to shape policy decisions. However, we believe H.R. 1725 would fall short of accomplishing this goal.

The public interest is not well served by imposing added disclosure requirements only on foreign-owned U.S. companies -- which, after all, account for less than 5 percent of all U.S. corporate activity. If policymakers wish to learn who is influencing decisions, and how much money they spend doing it, this information should be collected from all groups -- American and foreign-owned U.S. corporations, labor unions, trade

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[27] Id. at 1.

associations, and so forth. The simplest and most appropriate way to collect this information is through the Lobbying Act, which was created to serve this very purpose. By broadening FARA to do in small part what the Lobbying Act was designed to do may, at best, give policymakers incomplete information. Not only will the government then have available information on those attempting to influence public policy, but it will have done so without derogating from its international obligations.

Mr. FRANK. I understand that.

Mr. RICHARDSON. Mr. Bush has worked hard to push the idea of national treatment.

Mr. FRANK. I understand that, Mr. Richardson, but, as you know, when people raise an argument, they have some obligation to follow through on it. There is the policy argument. The argument that we would be violating treaties would obviously be even more forceful. Congress might well decide, as you know, to change a policy, but we've got more right to change a policy than we do unilaterally to change a treaty. So, it would be helpful to us to have some information.

I would also mention that we might find this, for instance, winding up to be where it would be a weapon against reciprocity, that it might be something that wound up being brandished against those who were not treating Americans fairly. There has been, as you know, concern that some countries don't treat American investment as fairly as they should, and that would be one of the contexts in which we might pursue it.

Mr. Edwards.

Mr. EDWARDS. I have no questions. I welcome the gentleman.

Mr. RICHARDSON. Thank you, Mr. Edwards.

Mr. FRANK. I have no further questions.

Mr. RICHARDSON. May I make one further comment, then, Mr. Chairman?

Mr. FRANK. Certainly.

Mr. RICHARDSON. It's refreshing to hear a subcommittee chairman of Congress give priority to international law over an issue of policy. I think that we're in an era where the structure of international law certainly clearly needs to be strengthened.

Mr. FRANK. Well, I appreciate that, and I think we have to recognize our obligations.

Mr. RICHARDSON. Excuse me?

Mr. FRANK. It's simply a matter of recognizing where we have obligations, and I think that's an important thing to do.

Mr. RICHARDSON. But, on the matter of reciprocity, I think it's worth observing that the thrust of the policy of national treatment is very different from, and indeed perhaps almost antithetical to, an approach that says, if you adopt a narrow and restrictive practice, we will match it. That tends to reinforce a downward spiral, instead of consistently adhering to the basic positions that we would like to see others adopt.

It's true most clearly, for example, with respect to restrictions on investment flows. One of the reasons for the existence of my organization is that we should resist proposals originating in the United States to make it harder for foreign investors here because everywhere around the world for the last 50 years to date, and I trust into the future, we're trying to bring down the barriers that other people have placed in the way of U.S. investment in their countries.

Mr. FRANK. I agree. Very often, however, in some cases the threat to erect a barrier of your own is a way to bring down another barrier. Obviously, the preference is to be sweet and reasonable at first, but unrequited love in my experience makes a better subject for novels than for public policy. If after a period of open-

ness on the one side that doesn't bring openness in return, then I think various sorts of threats can work.

Mr. RICHARDSON. I agree with that.

Mr. FRANK. I think, frankly, one example, that I felt that that was a relevant role of the Export-Import Bank. I had hoped that we would use the existence of the American Export-Import Bank as a tool of getting rid of export-import subsidies, but absent our having the weapon, I think we would probably—and I think that's what the administrations have been doing with it.

Mr. RICHARDSON. I agree with you, Mr. Chairman. I think it's a judgmental matter. All I can say again is that in this context I really haven't heard about problems that other people have been creating for American companies.

Mr. FRANK. I don't know as there are any. This is a new topic for me. I simply was indicating the range of things that we hope to get more information on.

Mr. RICHARDSON. Thank you, sir.

Mr. FRANK. Thank you. The hearing is adjourned.

[Whereupon, at 11:50 p.m., the subcommittee adjourned, to reconvene subject to the call of the Chair.]

APPENDIX

REGULATION OF LOBBYING IN FOREIGN COUNTRIES, BY STEPHEN F. CLARKE, COORDINATOR, SENIOR LEGAL SPECIALIST, AMERICAN-BRITISH LAW DIVISION, LIBRARY OF CONGRESS, FEBRUARY 1991

SUMMARY

Introduction

In his widely publicized and much discussed work, *Agents of Influence*, Pat Choate has claimed that lobbyists acting on behalf of foreign interests exert far more influence in the United States than do lobbyists acting on behalf of American interests in foreign countries.[1] This contention raises many questions, one of the most natural being: Are there any specific reasons for believing that American interest groups and industry have been relatively ineffectual in gaining access to and the support of the types of representatives and officials of foreign governments that can help them to instill their ideas and sell their products and services abroad? Another way of raising this same issue is to ask whether Choate's proposition indulges in over-generalization or accurately portrays countries outside the United States as having far less hospitable climates for "agents of [foreign] influence."

Of the many possible explanations as to why lobbyists acting on behalf of foreign interests in the United States may often be more influential than their U.S. counterparts acting abroad, two have been most frequently postulated. The first of these is that lobbyists--particularly ones acting on behalf of external interests--are far more tightly regulated in many of the United States' largest trading partners than they are within this country. The other plausibility is that due to complex political and cultural factors, most governments are not nearly so amenable or open to lobbying as is the Government of the United States.[2]

[1] P. Choate, *Agents of Influence* xiii, xvii, and 3 (1990). This controversial publication is primarily devoted to discussing, to quote its subtitle, "How Japan's Lobbyists in the United States Manipulate America's Political and Economic System."

[2] In preparing this report, the Law Library has endeavored to identify laws and rules providing for the regulation of lobbying in foreign countries. Cultural and political factors that may make it difficult for American interest groups and industries to influence foreign governmental decisions through the employment of professional representatives will be examined in a series of selected

This study examines the hypothesis that legal factors are in large part responsible for whatever disparities exist between lobbying on behalf of United States interests abroad and lobbying on behalf of foreign interests in the United States and concludes that it cannot be sustained. None of the surveyed countries has legislation that generally limits the types of situations in which a legislator or official of its government can legally receive the innocent entreaties of an eligible representative acting on behalf of either foreign or domestic interests and none of them tries to generally limit the types of situations in which such a person can legally attempt to secure the assistance of a local legislator or official other than through their bribery laws. In fact, most of these countries do not have a single law or rule that is specifically directed at the activity of lobbying. This vacuum suggests that, consistent with what Choate found in the particular case of Japan, political and cultural factors have essentially been the controlling variables behind what seems to be the greater ability of lobbyists representing foreign interests to help shape American policies, decisions, and legislation.

Even though the results of this report do not show that lobbying is a highly regulated activity in many foreign capitals, they do demonstrate that the number of foreign countries that have enacted laws or adopted rules respecting lobbying or lobbyists has been growing. For example, lobbyist registration requirements now exist not only in the U.S., but also in Canada, Australia, and Germany. Likewise, laws or rules placing temporary restrictions on the lobbying activities of former legislators and/or government officials are now

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country analyses to be prepared by the General Accounting Office. One major objective of the present study was to assist the GAO in drawing up a list of countries that have political and legal systems that could be profitably studied in field trips conducted by members of its own investigative staff. Another purpose of this report was to gather material for a separate Congressional Research Service comparison of the regulation of lobbying in the United States and foreign countries.

imposed not only in the U.S. but also in Canada, France, Israel, Japan, and Mexico. Aside from showing that the influence wielded by lobbyists has begun to be viewed as problematic in at least several foreign countries, these laws and rules may well be of interest to anyone considering how the current legislation of the United States respecting lobbyists and post-employment opportunities can be strengthened.

Registration Requirements

Canada

Canada's Lobbyists Registration Act came into force on September 30, 1989.[3] This statute applies to two groups of individuals. "Professional" or "Tier 1" lobbyists are persons who undertake to arrange a meeting or to communicate with a Member of Parliament, legislative staffer, or federal employee in an attempt to influence legislative proposals, the regulatory process, governmental policies, or the awarding of contracts. "Other" or "Tier 2" lobbyists are full-time employees who communicate with public office holders for any of the purposes just mentioned, except the awarding of contracts when such contracts constitute a significant part of their duties.

The Lobbyists Registration Act requires both Tier 1 and Tier 2 lobbyists to file returns with the Lobbyists Registration Branch in the Department of Consumer and Corporate Affairs. Members of the former group must disclose the names, addresses, and parent and subsidiary corporations of their clients and the proposed subject matters of their meetings or communications. Members of the latter group are only required to report the names of their employers.

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[3] 1989 S.I. No. 193.

Canada's new law respecting lobbying is broad enough to apply to lobbyists acting on behalf of both foreign and domestic interests. However, the Lobbyists Registration Act does not attempt to set legal limits on lobbying activities and it does not give the Lobbyists Registration Branch the authority to investigate or prosecute cases of nondisclosure or fraud. Registration returns filed with the Lobbyists Registration Branch are a matter of public record and are available for inspection. During the first seven months of its existence, that office received 473 Tier 1 and 2,355 Tier 2 registration forms.

Australia

No other country surveyed for this report has legislation equivalent to Canada's Lobbyists Registration Act. However, since 1984, Australia has had a non-statutory scheme that establishes two separate registers for persons representing foreign governments and persons representing other clients. This system cannot be described as providing for a separate tracking of lobbyists acting on behalf of all types of foreign interests, but it does interject an element into the picture that is not found in the Canadian example.

Australia's registration system is set out in guidelines approved by the Cabinet and announced by the Minister of State in Parliament. Under these rules, a lobbyist is a "person who, for financial or other advantage, represents a client in dealings with Commonwealth Government Ministers and officials." Excluded from this group are the Members of Parliament who have not been tapped for a ministerial appointment. Specifically exempted from the class of persons who must register in Australia are such representative organizations as professional associations, trade union councils, and industrial confederations. The types of activities encompassed by Australia's registration guidelines are those that attempt to influence: 1) the legislative process; 2) government policies; 3) the awarding of contracts; and 4) the appointing of persons to public office.

Information submitted by lobbyists in Australia is considered to be confidential and is only disclosed to government officials on a "need to know" basis. Despite the fact tbat the guidelines provide that no unregistered lobbyist will have access to a Minister or departmental employee, only twenty-nine names were placed on the special register[4] and only 191 names were placed on the general register prior to 1989.

One unique feature of Australia's registration system is that it incorporates a code of conduct for Ministers of the Crown. This code does not attempt to limit the types of activities lobbyists may engage in, but it does provide that lobbyists who meet with the beads of governmental departments are to be accompanied by their principals. This rule was implemented as part of a plan to make lobbying less "mysterious."

Germany

In Germany, associations must be registered with the Federal Diet before they can be heard during the legislative process. The parliamentary order establishing this rule dates back to 1972 and provides that registrants must furnish information respecting their areas of interest, the names of their representatives, and their local addresses. A list of registered associations is published in an official gazette and their representatives are issued passes to the Federal Diet. A register was created in 1981, and by 1985 it had grown to include the names of 1,226 associations and other organizations. The German registration system has a far narrower scope than its closest counterparts in Canada and Australia and there are no penal sanctions for failing to comply with its provisions.

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[4] The special registrar is for lobbyists who represent foreign governments and their agencies.

South Africa

South Africa does not have a law respecting lobbying, but it does have a law that can be used by the Government to identify persons lobbying on behalf of foreign interests. Under the Disclosure of Foreign Funding Act, the Registrar of Reporting Organizations and Persons can require any person or organization to report whether that person or organization has directly or indirectly received any money from foreign sources within the preceding three months. Additional information that must be furnished by respondents who have received foreign funds during that period includes the purpose for which the money was provided and whether any conditions were attached to it.

Once a person or organization is designated to be subject to the Disclosure of Foreign Funding Act, that person or organization must keep all of his or its foreign funds in a separate account so that all transactions involving those funds can be easily tracked. The maximum penalties for a violation of this statute are a fine of 40,000 rand and three years' imprisonment.

South Africa's Disclosure of Foreign Funding Act appears to have been created in an attempt to monitor dissident groups and individuals who may receive funds from foreign sources. The powers of the Registrar of Reporting Organizations and Persons are not limited to investigating persons or organizations who have advocated the use of violence to end the apartheid regime.

United Kingdom

In the United Kingdom, Members of Parliament may earn outside income by representing organizations that have interests before Parliament. In fact, although this would be considered highly improper in many other countries, it is customary for some MP's to be associated with lobbying organizations or to be acting as consultants in the field of their

expertise. In order to monitor these practices, MP's have been required, since 1975, to provide information respecting their pecuniary interests that may be thought to affect their conduct or influence their actions, speeches, or votes in Parliament. Such disclosure is provided by recording declarations in a Register of Members' Interests. One of the headings for the categories of information that must be furnished in this manner is "any payments or any material benefits or advantages received from or on behalf of foreign governments, organizations, or persons."

Because it applies to persons who are not even eligible to act as lobbyists in most countries, the non-statutory British parliamentary practice outlined above should not be miscast in a highly progressive mold. Nevertheless, the United Kingdom's Register of Members' Interests does serve to reveal some information about lobbying and certain lobbyists in that country.

Post-Employment Restrictions

Outrage over revelations that former legislators and former government officials have passed through an imaginary "revolving door" to work for private interests they once supervised, controlled, or affected in the course of their normal duties has not been confined to the United States. In fact, this sentiment has led the following countries to adopt measures designed to provide for at least a cooling-off period for some officials who might otherwise be tempted to immediately exploit the expertise they gained while working for the government on behalf of persons, firms, and associations in the private sector.

Canada

Canada has had a non-statutory Conflict of Interest and Post-Employment Code since the beginning of 1986. This document states that "[a]t no time shall a former public office holder act for . . . any person . . . or commercial entity . . . in connection with any

specific ongoing proceeding, transaction, negotiation or case to which the Government is a party . . . in respect of which the former public office holder acted for or advised a department." Another section of the Code reinforces this prohibition by directing former public office holders to refrain from "mak[ing] representations for or on behalf of any person or entity to any department with which they had significant official dealings prior to their service in public office" and "giv[ing] counsel . . . concerning the programs or policies of the department with which they were employed . . . ." For most public office holders, this prohibition remains in effect for one year from the moment they leave office, but in the case of ministers of the Crown, this cooling-off period is for two years. Public office holders who meet with former public office holders acting in contravention of the Conflict of Interest and Post-Employment Code are liable to dismissal. There are no criminal penalties for violating the Code.

France

Article 175-1 of the French Civil Code states that any civil servant who after having supervised or made deals with a private enterprise takes or receives an interest by reason of work, counsel, or investment in that enterprise within five years of leaving the government is guilty of a criminal offense. The maximum sentences for this infraction are two years' imprisonment and a fine of 15,000 francs, and the minimum sentences for it are six months' imprisonment and a fine of 360 francs. The above article does not appear to apply to all government employees and issues such as when does an official "supervise" a private enterprise could cause problems of interpretation. Nevertheless, it appears that the French courts have been prepared to interpret France's post-employment restrictions fairly broadly. In any event, these provisions would certainly appear to cover the types of

"revolving-door" cases that have been most responsible for bringing the integrity of government officials into question in many other countries.

Israel

Israel has a Public Service (Restrictions after Retirement) Law that states "[a] person who . . . dealt with a particular matter of a particular person shall not, after retiring from the service, represent that person in that matter *vis-à-vis* the public service institution in which he served." In addition to this general prohibition, the Israeli post-employment law also provides for cooling-off periods of one and two years. The former covers specified types of requests of certain designated pre-retirement subordinates and the latter covers certain persons who were competent to grant specified rights prior to their departure from public service.

Israel's Public Service (Restrictions after Retirement) Law is not as lengthy as Canada's Conflict of Interest and Post-Employment Code but unlike its Canadian counterpart, it does contain criminal sanctions. Violations of the Israeli law are punishable with fines and maximum sentences of six months' imprisonment. In comparison to Article 175-1 of the French Criminal Code, the Public Service (Restrictions after Retirement) Law is fairly complex. However, since the latter focuses on more than post-employment commercial activities, it would appear to apply to certain types of situations that the former does not.

Japan

The Japan National Public Service Law states that no person who was in government service may, for a period of two years after leaving the service, accept an appointment of a post of a profit-making enterprise that is closely connected with the public organization he served in during the five years that preceded his or her retirement unless he

or she obtains the permission of the National Personnel Authority. This broad restriction applies to lobbyists acting on behalf of both foreign and domestic interests. Violations of the post-employment rules contained in Japan's National Public Service Law are punishable with maximum sentences of one year in prison and a fine of 30,000 *yen*.

Mexico

In Mexico, the Federal Law on the Liabilities of Public Servants requires former federal officers to abstain from soliciting, accepting, or receiving money, donations, employment, fees or commissions from a person or corporation whose activities they regulated for a period of one year from their date of separation. This provision applies to legislators. There are no penal sanctions for contravening Mexico's post-employment rules, but officeholders who violate them may be subject to termination and disqualification.

Miscellaneous Laws

The registration systems and the post-employment rules summarized above constitute by far the most significant means for regulating lobbying in foreign countries. In addition to information on those systems and rules, the attached country reports contain references to some general laws and orders that were not created for the same specific purposes, but that can nonetheless still be relevant to the topic of this study. The chapters on Canada, France, Israel, Japan, Mexico, Portugal, and Spain outline several very broad bribery statutes and a few more general conflict of interest laws and rules for legislators at the national level. The reports on Israel and Mexico make reference to special laws respecting the representation of hostile terrorist organizations and hostile foreign powers. The chapters on France, Germany, Japan, Portugal, South Africa, Spain, and Taiwan summarize the statutes in those nations prohibiting or restricting foreign persons and entities from contributing to domestic political parties. These statutes were deemed to be relevant

because a number of countries have had scandals touched off by revelations that foreign lobbyists or representatives were making large donations to domestic officials and parties.

Unreported Countries

Because they were not found to have any laws or rules respecting lobbying, there are no country reports for the nations of Belgium, Denmark, Egypt, the Netherlands, New Zealand, Pakistan, Saudi Arabia, and Switzerland. In most of these cases, the negative responses received were accompanied with notations to the effect that they should not be construed to mean that lobbying is a widely-accepted and deeply entrenched part of tbe jurisdiction being reported upon. In fact, many legal experts and government officials denied that lobbying is practiced in the countries they cover or represent even when tbis activity was defined so broadly as to mean "extraparliamentary communications between representatives or officials of a government and persons or groups attempting to influence governmental decision-making or policy." One explanation that was frequently offered in this connection is that in most parliamentary systems, the parties in power decide issues rather than coalitions of individual representatives. This observation may go to show that it may be more difficult to conduct effective lobbying activities in a parliamentary system than Americans often realize, but it should not be used to obscure tbe fact that fairly extensive lobbying on behalf of U.S. interests is being conducted in many foreign capitals.

In light of the above, it would appear that comments to the effect that lobbying is unknown in particular foreign countries should probably be understood to reveal two phenomena. The first of these is that some parliamentary systems create environments that are not particularly hospitable to lobbying activities and the other is that tbe role lobbyists play in foreign countries is a subject foreign governmental officials are often unwilling or unable to discuss. What would probably serve to most quickly bring more information to

light in these countries is consideration or adoption of proposals to regulate or restrict lobbying activities. In the meantime, what seems to be clearest about lobbying in the above countries is that it is not the subject of specific legislation.

Conclusion

There is not enough evidence to support the proposition that a strong worldwide trend toward stricter regulation of lobbying activities in foreign countries has been emerging. It can be said however, that lobbyists have been coming under greater scrutiny within the governments of a number of the United States' largest trading partners. Some of these countries require lobbyists to register and some prohibit former office holders from engaging in lobbying activities that are deemed to be too closely related to their former responsibilities or to be occurring too soon after their leaving government service. Buttressing these legal measures are numerous traditional bribery statutes and several new prohibitions on campaign contributions by foreigners or nonresidents. These laws place some obstacles in the paths of Americans interested in attempting to influence foreign governmental decisions through the employment of professional representatives. Nevertheless, it would appear that much more significant obstacles are created by political and cultural factors that discourage direct contacts between such representatives and either foreign government officials or former foreign government officials.

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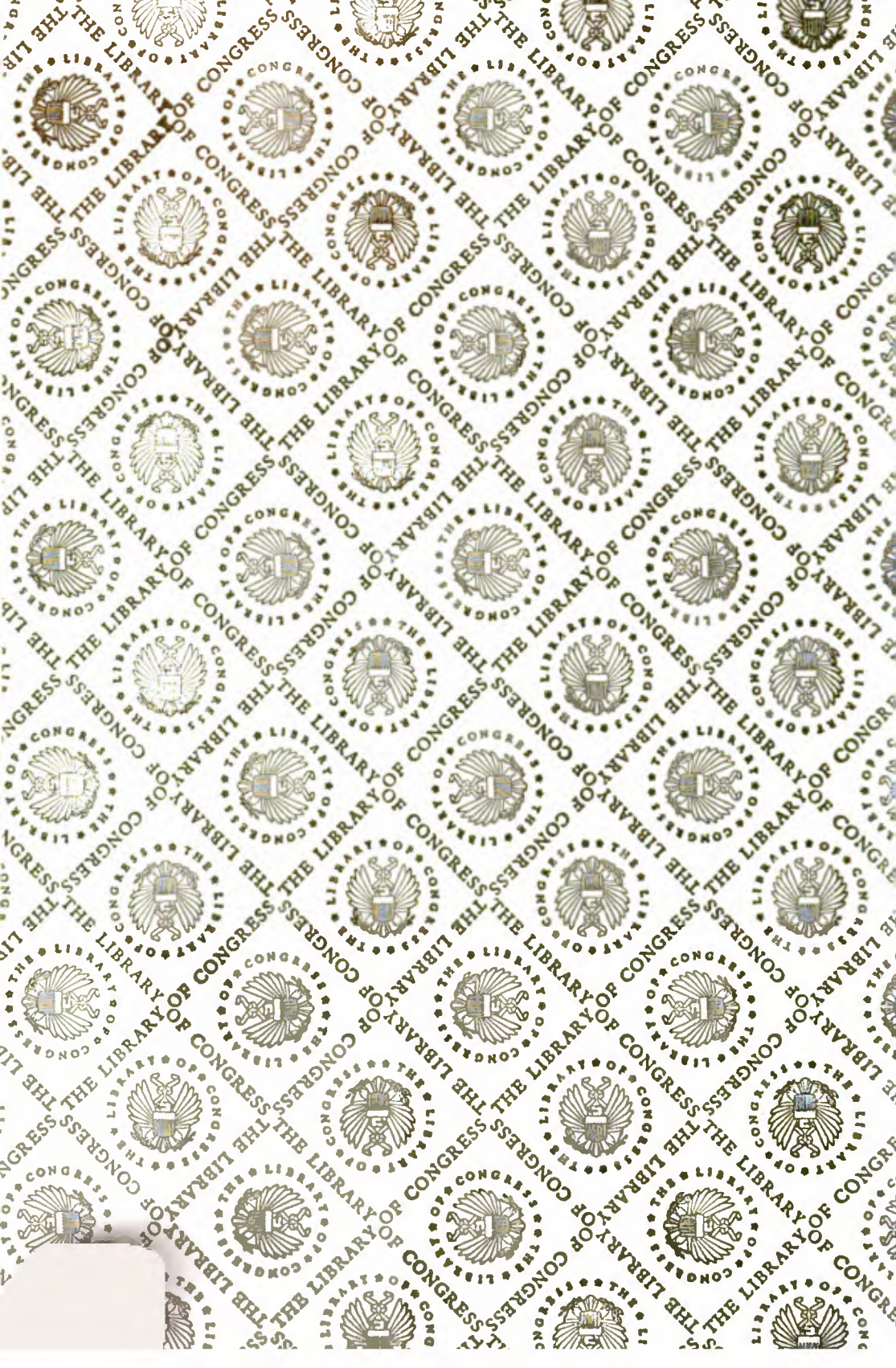
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